

On stream
On time
with Capper-Neill
On site



FINANCIAL TIMES

No. 27,146

Friday December 10 1976

*10p



CONTINENTAL SELLING PRICES: AUSTRIA Sch.13; BELGIUM P.23; DENMARK K.3; FRANCE P.2.50; GERMANY DM1.78; ITALY L.400; NETHERLANDS H.1.75; NORWAY K.3; PORTUGAL Esc.17.50; SPAIN Ptas.15; SWEDEN Kr.2.75; SWITZERLAND S.1.70.

NEWS SUMMARY

GENERAL

Home rule poll possible

Mr. James Callaghan yesterday made preparations to offer the substantial concession of a referendum in Scotland and Wales to placate Labour opponents of the Devolution Bill.

At the same time the Tory leadership, trying to close party ranks following front bench resignations over the devolution issue, faced the prospect of an embarrassing intervention by Lord Home, the former Conservative Prime Minister.

Meanwhile, the Government unveiled—as a Green Paper—its promised consultative document on possible changes in England's administrative system to a generally lukewarm reception in and out of Westminster. Back, Parliament, Page 9. Green Paper details, Page 11. Editorial Comment, Page 16.

Windscale leak admitted

Radioactive water has leaked from an old storage silo, containing highly radioactive waste, at the Windscale, Cumbria, atomic plant, Mr. Anthony Wedgwood Benn, Energy Secretary, told the Commons, adding that the leak was not hazardous to workers or the public.

Last night Mr. Douglas Hogg, Energy MP for Nelson and Colne, called for a public inquiry before the Government decides to go ahead with the nuclear reprocessing plants at Windscale, Page 8.

Hint of fresh hope for trawlers

More than 12 British trawlers will be allowed to resume fishing in Icelandic waters on a temporary basis early in the New Year if Iceland accepts a tentative arrangement worked out with the EEC, Mr. Finn-Olav Gundelach, the Danish Commissioner, disclosed in Brussels.

More scope for SAS in Ulster

SAS operations in Northern Ireland are to be extended from Armagh in other trouble spots, Mr. Robert Brown, Army Minister, told the Commons. Gunmen seriously wounded a policeman at his Belfast home last night.

Death sentence appeals upheld

The Irish Supreme Court, upholding the appeals of Mr. and Mrs. Noel Murray against death sentences imposed for murdering a policeman during a bank raid, commuted 28-year-old Mr. Murray's sentence to life imprisonment and ordered a retrial for his 25-year-old wife, Mrs. Murray, Page 4.

Lisbon blast

A bomb explosion yesterday cut off 90 per cent. of Lisbon's water supply. Portugal is due to hold local elections on Sunday, Page 4. Editorial comment, Page 16.

One for the Eye

Three Law Lords yesterday rejected an application by Sir James Goldsmith for leave to appeal against a lower court ruling that an article in Private Eye was not a contempt of Court.

Briefly . . .

Two Canadian Army officers, who had been detained at Heathrow Airport since Wednesday, were last night allowed to enter Britain.

After talks, 47, jazz bandleader, has had a heart attack and is in a London hospital.

Prince Andrew, the Queen's 16-year-old son, is to attend Lakefield College School in Ontario, Canada, in the New Year.

GRIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

| RISKS | | |
|----------------------|-----|----|
| Bell (Arthur) | 132 | 4 |
| Bradford Miller | 27 | 4 |
| Chloride | 83 | 4 |
| Durham Steels | 84 | 9 |
| Edwards (London) | 112 | 6 |
| Good (Widgkinson) 6p | | |
| Prof | 33 | 13 |
| Hunter "A" | 142 | 4 |
| Hunter Gibson | 138 | 8 |
| Unilever | 182 | 8 |
| National Carbon | 29 | 4 |
| Northern Mfg. | 52 | 4 |
| Rediffusion | 61 | 4 |
| Star Line | 109 | 10 |
| Tele. Service | 86 | 6 |
| Exp. Exploration | 84 | 1 |

| FALLS | | |
|--------------------|-----|---|
| BAT: Defd. | 215 | 3 |
| Beecham | 336 | 8 |
| CEC | 181 | 4 |
| Glaxo | 283 | 7 |
| ICI | 296 | 7 |
| Lucas Inds. | 187 | 4 |
| Lyons (I) | 46 | 4 |
| Rhoemis Assurance | 106 | 4 |
| Spears and Jackson | 62 | 8 |
| Tube Investments | 282 | 4 |
| United Biscuits | 113 | 6 |
| Shell Transport | 420 | 8 |
| Ship Pairs | 37 | 7 |
| Union Carb. | 332 | 8 |

BUSINESS

Equities lose 5.6; gold tops IMF price

● EQUITIES fell towards the close on fears that the miners would vote for strike action. The FT 30-Share Index lost 3.6 to 319.4. But the All-Share was 0.5 per cent. higher at 129.42.

● GILTS activity lessened, but prices made a little headway.

● GOLD rose \$1 to \$1374 in London, compared with the \$1371 at which 780,000 ounces were



sold on Wednesday at the fifth IMF auction, the highest price so far in the auctions. Page 5

● STERLING slipped 5 points to \$1.6710. Its weighted depreciation was unchanged at 0.32 (0.31) per cent.

● WALL STREET closed 7.48 higher at \$70.74 while volume expanded to 31m. (25m.) shares.

● U.S. MONEY supply, M.2, \$310.3bn. (307.6bn.); M2 \$338.1bn. (731bn.). Page 5

● U.S. COURT is considering two major cases involving disputes to importers which could have far-reaching implications for international trade next year. Page 6

Plan for £2bn. gas pipeline

● PIPELINE scheme, costing £2bn., which would gather gas from a number of North Sea fields is to be studied by a joint public-private enterprise company, to be set up by the Government. Page 7; North Sea oil review, Page 32

● BANK OF ENGLAND again indicated to the money market by lending for seven days at 14 1/2 per cent. that it would be unhappy to see a cut in its minimum lending rate. Money market, Page 38

● ROMANIA and the EEC have signed an agreement which prevents the Government going ahead with its decision earlier this year to limit imports of East European men's suits into the U.K. Page 6

● EEC COMMISSION is to drop its proposals for harmonising standards for processed foods throughout the Community because of the food industry's opposition and food-dragging by member Governments. Page 4

COMPANIES

● SIME DAREY chairman Mr. James Braver has resigned from the Board, which has been reconstructed with the agreement of Rothmans Nominees, the Malaysian concern. Page 32

● LITTLEWOODS organisation revealed that it increased pre-tax profit last year by 12 per cent. to £31.6m. Page 32

● XEROX has signed an agreement with Eastman Kodak, providing for exchanges of worldwide patents on each company's office copiers. Page 34

● GUS first-half pre-tax profit rose to £40.08m. (£40.84m.). Page 28 and Lex. LLOYDS and Scottish pre-tax profit rose by £1.83m. to £14.48m. in the year to September 30. Page 30 and Lex

U.K. consortium wins £100m. Soviet contract

BY GEOFFREY OWEN and ARTHUR SMITH

A British consortium including Rolls-Royce (1971) has defeated competition from General Electric of the U.S., Hitachi of Japan and AEG-Mannesmann of West Germany to win a £100m. contract from the Soviet Union.

It is the largest order in the history of Anglo-Soviet trade, and represents the first substantial use of the £500m. credit facility arranged by Sir Harold Wilson in Moscow last year. Up to now only £42m. of the credit has been used.

The winning consortium, known as COBERROW, consists of Rolls-Royce and the British affiliates of Cooper Industries, a leading U.S. compressor manufacturer, and Williams Brothers, an international pipeline engineering concern.

The contract, signed yesterday, is for supply of 42 gas-pumping modules, powered by Rolls-Royce Avon engines, for installation along 600 miles of gas pipeline from Western Siberia to the city of Chelyabinsk.

The order includes 12 spare Avon engines, maintenance facilities and an overhaul base. In the past few weeks the Soviet trade delegation headquarters in Highgate has been the scene of intense discussions involving the four main contenders, COBERROW, GEC, Hitachi and AEG-Mannesmann.

John Brown Engineering and AEG-Mannesmann of West Germany. "I have never seen anything like this," one participant said last night, "there were continuous

interests of getting British shipbuilders in business and a policy for merchant shipbuilding established as soon as possible.

But this view was pressed with great discretion, since the effects of the shipbuilding industry on the shipbuilding industry were dependent on shipbuilding. Every job in shipbuilding created three more jobs that were dependent on it in the supply industries, said Mr. Day, and the livelihoods of more than 1m. people in Britain depended on its future.

Mr. Eric Varley, the Industry Secretary, went as far as to make a public appeal in the Commons yesterday to Mr. Day to reconsider his decision, but there was little chance that the Government's chosen chief executive for British Shipbuilders will change his mind. "I think not," Mr. Day said last night.

As the delays built up "the option closes one by one. Now the job that requires to be done is not the job I signed on for. I am a believer in medicine and surgery. If I think the result will be the recovery of the patient, I did not see myself in a role beyond that."

Asked if the only role that remained to be played was that of a butcher, Mr. Day agreed that he had the NUM that broke off the earlier negotiations.

Parliament, Page 9

Mr. Day, a 43-year-old Canadian who was chief executive at Cammell Laird on Merseyside until last December, claimed yesterday that a number of options "to minimise the grievance threatening merchant shipyards which had been identified by the British Shipbuilders organising committee earlier in the year, now appeared to be closed."

When he accepted the £19,320-a-year job, it was envisaged that the Bill would have been law by this summer, and British Shipbuilders in a legal position to implement policies which would have kept the maximum number of yards open. Policies would have included specially devised financial packages for shipowners which yards are now in a position to offer, and joint venture schemes.

But now he said it was not possible to quantify the timescale for redundancies facing the industry, although they would begin progressively from the first quarter of next year.

The British industry had to face a reduction of capacity of between 30 and 75 per cent., and when the orders stopped the effects would be felt through many sectors of industry that were dependent on shipbuilding.

Every job in shipbuilding created three more jobs that were dependent on it in the supply industries, said Mr. Day, and the livelihoods of more than 1m. people in Britain depended on its future.

Mr. Eric Varley, the Industry Secretary, went as far as to make a public appeal in the Commons yesterday to Mr. Day to reconsider his decision, but there was little chance that the Government's chosen chief executive for British Shipbuilders will change his mind. "I think not," Mr. Day said last night.

As the delays built up "the option closes one by one. Now the job that requires to be done is not the job I signed on for. I am a believer in medicine and surgery. If I think the result will be the recovery of the patient, I did not see myself in a role beyond that."

Asked if the only role that remained to be played was that of a butcher, Mr. Day agreed that he had the NUM that broke off the earlier negotiations.

Parliament, Page 9

Mr. Day, a 43-year-old Canadian who was chief executive at Cammell Laird on Merseyside until last December, claimed yesterday that a number of options "to minimise the grievance threatening merchant shipyards which had been identified by the British Shipbuilders organising committee earlier in the year, now appeared to be closed."

When he accepted the £19,320-a-year job, it was envisaged that the Bill would have been law by this summer, and British Shipbuilders in a legal position to implement policies which would have kept the maximum number of yards open. Policies would have included specially devised financial packages for shipowners which yards are now in a position to offer, and joint venture schemes.

But now he said it was not possible to quantify the timescale for redundancies facing the industry, although they would begin progressively from the first quarter of next year.

The British industry had to face a reduction of capacity of between 30 and 75 per cent., and when the orders stopped the effects would be felt through many sectors of industry that were dependent on shipbuilding.

Every job in shipbuilding created three more jobs that were dependent on it in the supply industries, said Mr. Day, and the livelihoods of more than 1m. people in Britain depended on its future.

Mr. Eric Varley, the Industry Secretary, went as far as to make a public appeal in the Commons yesterday to Mr. Day to reconsider his decision, but there was little chance that the Government's chosen chief executive for British Shipbuilders will change his mind. "I think not," Mr. Day said last night.

As the delays built up "the option closes one by one. Now the job that requires to be done is not the job I signed on for. I am a believer in medicine and surgery. If I think the result will be the recovery of the patient, I did not see myself in a role beyond that."

Asked if the only role that remained to be played was that of a butcher, Mr. Day agreed that he had the NUM that broke off the earlier negotiations.

DECEMBER 15

Healey names the day

By Peter Riddell, Economics Correspondent

Mr. Denis Healey, the Chancellor of the Exchequer, will announce next Wednesday afternoon in the Commons the long-awaited economic measures and the outcome of the negotiations with the IMF over the £500m. loan.

This was revealed yesterday following a Cabinet meeting at which decisions were completed on the package including the widely expected sale of part of the Government's holding in British

Parliament, Page 9
Politics To-day, Page 27

Petroleum to raise around £500m.

Meanwhile, Britain yesterday repaid on the due date its total drawings of \$1,545m. from the \$5.5bn. central bank standby credits arranged in the early June sterling crisis. Repayment came from the official reserves which stood at \$5.16 bn. at the beginning of the month.

The first instalment of the IMF loan to cover part, if not all, of this drop in the reserves, will not be made until January after final approval of the terms by the IMF executive Board.

Consultations with the IMF team in London on the details of the Letter of Intent have now nearly been completed. The IMF officials are expected to return to Washington within a couple of days.

Continued, Back Page
News Analysis, Page 6

There are no signs of any resignations from the Cabinet over the package and it appears that Mr. Healey, with the backing of the Prime Minister, has managed to win support for measures roughly as large as those outlined to the Cabinet by him a fortnight ago.

Cuts in public spending will form the main part of the measures though there may also be some sweeteners in the form of the delayed announcement of the new industrial assistance scheme.

No proposals are expected which require ways and means resolutions in the Commons such as direct tax changes which will not come until the spring Budget. Changes in indirect taxes such as value added tax can, however, be made by the use of the regulator.

As far as can be judged, British Ministers would like the U.S. Secretary to reformulate the so-called Kissinger plan, endeavouring to enforce moderation on the African participants and their backers in the front-line African states to return for greater flexibility from Mr. Smith.

It is felt that only Dr. Kissinger could do this, since the odds against a settlement are only at this stage, has the necessary influence on Mr. John Vorster, the South African

Smith in Geneva Page 5

It is felt that only Dr. Kissinger could do this, since the odds against a settlement are only at this stage, has the necessary influence on Mr. John Vorster, the South African

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Last-ditch bid to save Geneva talks

BY BRIDGET BLOOM, AFRICA CORRESPONDENT

DR. HENRY KISSINGER, the Prime Minister and on Mr. outgoing U.S. Secretary of State, Smith.

The idea would be for the Geneva conference to adjourn, with a firm date set for reconvening in early January, to allow time for such a diplomatic offensive.

If it is understood that Dr. Kissinger, whose diplomatic initiative in southern Africa earlier this year produced the conditions for the Geneva conference, could return to Africa if it was felt that this could break the Rhodesian deadlock.

Whether or not he—or other U.S. or even British officials—go to Africa will depend on the outcome of crucial meetings to-day and over the weekend, when the U.S. Secretary is to meet Mr. James Callaghan, Mr. Anthony Crosland, the Foreign Secretary, and Mr. Ivor Richard, chairman of the Rhodesia conference, who returned from Geneva last night.

While Washington appreciates the political constraints on the Government, it also feels that an adjournment of the conference before real negotiations have begun could well be fatal.

It is felt that only Britain can produce such compromise proposals, even though that would mean Ministers having to define, which they have so far carefully avoided doing, the precise role which Britain itself is prepared to play in an interim government.

The third possibility is that Britain and the U.S. themselves agree on modifications to the Kissinger package, transfer of power and the insistence of the white Rhodesians on the so-called Kissinger package, which in their view would leave real power in white hands during a transitional government.

This gap was underlined yesterday as despite what one observer called the "beginnings of a glimmer of a crack in the white position" Mr. Ian Smith, the Rhodesian Premier, continued to insist that the Kissinger plan is in all essentials non-negotiable.

Three major courses of action, all starting from the premise that the conference cannot be concluded by the 15th date of December 20, are likely to be discussed this week-end.

As far as can be judged, British Ministers would like the U.S. Secretary to reformulate the so-called Kissinger plan, endeavouring to enforce moderation on the African participants and their backers in the front-line African states to return for greater flexibility from Mr. Smith.

It is felt that only Dr. Kissinger could do this, since the odds against a settlement are only at this stage, has the necessary influence on Mr. John Vorster, the South African

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Smith in Geneva Page 5

Bertolucci

by NIGEL ANDREWS

The Spider's Stratagem (A)
My Name Is Nobody (A)
Cooley High (AA)
Exhibition (X)
Piccadilly, Coventry St, Studio One
Jacey, Trudgill Square and
Classic Praed St.
Harold Lloyd
National Film Theatre

It is just as well that Bertolucci's *The Spider's Stratagem*, already six years old, has not in London now and not in the later, disillusioning wake of his newest film 1970. The latter's unveiling at Cannes proved the ugliest blow yet to Bertolucci's admirers, obliging them to ask themselves, on the evidence of this marathon exercise in nihilism (the film lasts 2½ hours and runs through more soap opera crises than *Gone With the Wind*) if they had been right to greet Bertolucci's previous films with quite such inebriated enthusiasm. Hadn't there already been warning signs of Bertolucci's weakness, for the decorative and the fatuously flamboyant in *The Conformist* and *Last Tango in Paris*?

Spurred by such doubts, *The Spider's Stratagem* still stands up nobly and looks like surviving as Bertolucci's best film. It was made for Italian television, and the smallness of scale is a blessing. Not even Bertolucci can do a David O. Selznick with the elusive, teasing story idea this film boasts (it is based on a tale by Borges) or with its comparably unostentatious budget, and although the film is sumptuously photographed—golden, un-baked exteriors, mellow, dusty interiors—the beauty of the images is of a piece with the film's mood and theme: part of a seductive, romanticised world in which the hero is drawn and which, victim of the subtle, is finally trapped.

He is one Albus Magnani Jr. (Giulio Brogi), a young man returning to his home town, somewhere in Northern Italy, on the sudden, mysterious summons of his late father's mistress, his father, an anti-fascist hero who died 30 years earlier allegedly by an assassin's bullet, is committed to a hero in the town: by a bust in the main square, by a plaque for his tomb, by the reminiscences of his three closest friends, who eagerly court the newly arrived son and ply him with accounts of his stubbornly mysterious death.

It is to find the agents of the letter, and to avenge himself upon them, that the father's mistress has summoned him, but the truth is not easy to come by. There are odd, malicious attempts to baffle his inquiry—he is locked in a stable overnight, he is thrown off a falling ladder's estate, he is told a strange tale by his father's three friends. A kind of truth does finally emerge, taking in the revelation that his father's death coincided with a short-lived attempt to assassinate the visiting Mussolini. But he kills them, removes them, identified and unavenged, and here is a neatly fitted metaphor of perplexity in the film's last shot of the departing hero gazing wistfully at the railway tracks choked by green and white steam. How time blurs the straight line of history, and how the



(Giulio Brogi (right) in 'The Spider's Stratagem')

search for truth does not always lead one to truth, one wished to discover, are the film's twin themes. Bertolucci builds his story like a spider's web—concentric circles of delusion and mystery around a central, deadly truth. All the strands are connected, even if some cross at right angles, and in the light of the film as a whole, even bafflingly staged scenes like the hero's interview with one of his father's friends, a salami-maker, under a ceiling hung with aromatic sausages (which the latter prods and sniffs appreciatively as he talks) take on a cunning resonance. The film is cleverly scripted, immaculately played and magically photographed: in short, well worth the six year wait. Londoners have had to endure to see it.

Sergio Leone's new Western *My Name Is Nobody* is a comparably brain-teasing piece: another essay on how history can be written and re-written to suit the whims of its protagonists. One says "Sergio Leone's Western", but in fact Leone had less to do with the film than the publicity might suggest. The screenplay is by Ernesto Gastaldi, the director is Leone's one-time assistant Tonino Valerii. Leone is officially credited only with the story idea. What matters is that the Leone style, familiar from *Once Upon a Time in the West*, has survived intact: in the loving and generous way in which the film's stylised violence is played out, in the slow, sultry, fly-buzzing pace; in the sudden detonations of violence; in the stylised brinkmanship with which the film teeters on the edge of parody without quite falling over.

The plot is a variation on the old gangster-meets-a-young-apprentice theme, the former appearing in the shape of Henry Fonda, as a veteran gunslinger about to leave for a well-earned retirement in Europe, the latter incarnated by Italian star Terence Hill as a brash and bright-eyed young hero who refuses to let Fonda pass over him pass into legend. A series of valditory gunfights are duly arranged, the last of which pits Fonda's lone skills against the massed firepower of the 150-strong "Wild Bunch".

If that last name seems familiar, it is no accident. The in-jokes in this Western fly thick and fast (in a scene set in a churchyard, there is even a tombstone commemorating one Sam Peckinpah). But the brilliance

allusions, that keep one's mind and one's eyes constantly on the alert. And one's ears also: Ennio Morricone's score provides a sprightly original theme for Hill's character, and also plays cunning variations on the Ride of the Valkyries (theme for the Wild Bunch) and on the crooningly familiar "My Way" (theme for the departing Fonda). The film's dialogue boasts a splendid line in home-spun cynicism ("There are two things that go straight to a man's heart—bullshit and gold"), there is a lively supporting cast, and altogether this belated Italian import gets my unhesitating nomination as the best Western of 1976.

Any thumbnail summary I give of *Cooley High* is likely to drive moviegoers away in their hundreds. The film's premise, setting in a high school in a negro quarter in Chicago; the time is 1964; the characters are a group of black schoolchildren negotiating what the Press hand-out primly describes as "the transition from the teenage mentality to young adulthood".

Early fears of an all-black American *Graffiti*, however, quickly evaporate. The film has a fierce, funny and wholly delightful energy of its own. We not only laugh at the characters as they run the gamut of adolescent hot-headedness from heavy petting at crowded parties to hell-raising on the night streets, we are also moved by the different hopes and dreams that struggle to the surface through the social chaos of their lives. The skill with which the film draws together the random threads of its screenplay (by Eric Monte) first into a coherent story, then into a genuinely poignant ending, suggests that

The Entertainment Guide is on Page 32

of the film lies in the way a plot packed with seemingly irrelevant set pieces (a gun-slinging display by Hill in a saloon bar, a shoot-out in a fairground hall of mirrors) turns out thematically to be a whole. The film's West and its rituals are seen as a gigantic and elaborate game, in which glory and survival are seldom compatible aims but in which the would-be hero must never sacrifice (or be seen to sacrifice) the first to the last. Hill thus serves not only as the guardian angel of Fonda's earthly integrity (he even carries his feline-lined saddle on his back like a pair of celestial wings) but as his escort to historical immortality.

This is one of those rare films, packed with witty asides and

its director Michael Schultz is a name well worth watching in the future.

Take no notice of the furore lately attending the GLC's decision to give a certificate to the French film *Exhibition* after it had been refused one by the censor. This documentary about the life and work of sex film actress Claudine Baccarelli is strong stuff when it reaches London in its native state, and bowdlerised as it does most imported celluloid eroticism, it is a lively supporting cast, and altogether this belated Italian import gets my unhesitating nomination as the best Western of 1976.

The National Film Theatre's Christmas treat this year is a Harold Lloyd season: a 15-film tribute to the American comic with the glasses, the gangling legs and the irresistible urge to scale tall buildings. The season lasts till the end of December, and in a commendable burst of Christmas cheer the NFF has announced that members may bring their families.

Jean-Rodolphe Kars

by DAVID MURRAY

There are pulses and pulses: dervish, sluggish, skittish, splendidly. All the same, the mechanical, domineering, subliminal. All but some quite only to a certain point. The recent music presupposes a Kars pulse has more to do with pulse, though it isn't directly the head than with the feet: the pulse is the metre in which a passage-work of the variations piece is written, only a guide was impeccable, but after that to it. Debussy's reputation as the composer who did most to free music from the rhythmic shackles of 19th-century Teutonic music has redounded upon him in the form of a bad performing tradition, so rhythmically inert as to render his pieces mere collections of pretty events.

Last night he played six of the Preludes from Debussy's Book I to great effect, granted his customary sobriety—one could wish the *Sérénade interrompue* to have a more cutting ironic edge. True, static pieces must him best: translucent sheen is more his style than glitter, though his technical security is proof one that sounded like paper in against accidents at any speed. The finale of Schubert's "Wanderer" is a work of considerable interest, at its best in the writing for Linda Gibbs and in a long, lean duet for Miss Davies and Tom Jobe. If it has a fault on a first viewing, it is in the sometimes monotonous effects of the dance, which lack any very definite high point, but Miss Davies' talent rings out true at every moment, and the overall shape—culminating in a repetition of the device of protection which eventually fade into the air like some vision of an ideal—is satisfying. There is a well-wrought score for two celli from Geoffrey Burgon, and the company performance is excellent, which eventually fade into the air like some vision of an ideal.

Sadler's Wells Theatre

Davies and North

by CLEMENT CRISP

London Contemporary Dance Theatre has shown us two new works from its Associate Choreographers during the past two days. Last night Siobhan Davies' *Step at a Time* was on view, the fruit I gather of a subliminal session in working class London with Merce Cunningham and Richard Alston. It is, I hope, no disrespect to the piece to say that it bears the imprint of these studies. It is a white, a geography, arguing very carefully the merits of movement, purged of any emotion clutter.

At certain rise a series of projections on a front gauze show the white outline of a dancing figure, more calligraphic than representational, which seem an ideal of stripped, clean movement that underlies the dance to come. The last projection is replaced by Linda Gibbs in a white leotard, while the rest of the company is gradually presented in billowing white track-suits.

Thereafter the text of the ballet deals the contracts and conflicts between movement seen clearly in leotards and bodies obscured in the voluminous suits, with the dancers choreographic manner stresses the dance and the emergence of precise forms out of imprecision; it is not accidentally a comment upon the creative act itself, especially in regard to the re-fining of stylised movement from the swirling energy of everyday activity.

Barenboim

by PAUL GRIFITHS

For his concert with the London Philharmonic Orchestra last night, Daniel Barenboim chose a programme of Mahler and Bruckner, a conjunction that makes one wonder again that these two composers could ever have been linked together as a pair. Before the advertised proceedings, however, Dietrich Fischer-Dieskau, the evening's soloist, announced that the orchestra would play Elgar's *Nimrod* in memory of Lord Britten. The choice of elegy may have been a little odd, but the gesture was a moving one, particularly in the presence of a soloist intimately associated with several of Britten's works.

After the tribute, Fischer-Dieskau went on to sing in the Mahler part of the evening, five songs chosen from his settings of poems from Des Knaben Wunderhorn. The selection focused on the Mahler's sentimental lyricism and his bleak heroics, the two nicely brought together in this performance of *Der Schildwache Nachtlied*. A military march, Reueige, began the group, and here Fischer-Dieskau sang with a clarity the aching but embittered cynicism of one who has witnessed too often the deadly harvest of war. There was, however, a moment of strain, and he seemed happier in a more loving soldier's song, *Der Trompeter*, where again he fixed on the appropriate grim mood. Such songs do not offer much opportunity for conventional beauty of tone, but Fischer-Dieskau was able to give a winning show of that, and of natural phrasing, in *Wo die schönen Trompeten bliesen*.

Barenboim and the LPO provided beautiful support in these songs. The textures were carefully wrought, the rhythms keenly felt, and there was much fine playing from brass and woodwinds. Yet soon both conductor and orchestra were to adapt themselves with similar success to the very different sounds and time-scale of Bruckner's Ninth Symphony, given here in the Novak edition. Success was not quite complete in the first movement, where Barenboim heaved up blocks of stone to construct a monument, but rather forgot about the mortar. There were several places where continuity was lost, and the heavy physical feel brought to the music was not convincing. But this was a performance which grew in spirituality—not so much in the second movement, where the trio had too Mendelssohnian a lightness, but certainly in the third. Here Barenboim's warm, drawing of lines kept up some forward motion, even at a speed of glacial flow. The movement achieved a radiant calm and became the perfect finale, making any continuation of this unfinished work quite unimaginable.

New studio pottery at the V & A
Recent acquisitions of ceramics, glass and enamels are now to be seen in a case newly installed on the staircase leading from the main entrance hall to Room 127 of the Department of Ceramics. This is the first of a series of proposed displays, to be changed at roughly two-month intervals, in which the Department will exhibit a selection of 20th-century studio pottery.

Stars and Shadows

by ELIZABETH FORBES

Stars and Shadows is an hour-long one-act opera commissioned by the Royal Northern College of Music, Manchester, from Brian Hughes. With a text by Ewan Vaughan Williams, the work is intended to be a companion piece to *Riders to the Sea*, which Brian Hughes, in collaboration with the RNCM, has produced in the theatre. The opera is presented in the RNCM Theatre on Tuesday evening, December 13, at 7.30 p.m. The production is directed by Michael Holt.

The opera is the story of a young man, a student at the RNCM, who is a member of the Vaughan Williams family. He is a student of the RNCM, and his story is told in a way that is both intimate and universal. The opera is a companion piece to *Riders to the Sea*, which Brian Hughes, in collaboration with the RNCM, has produced in the theatre. The opera is presented in the RNCM Theatre on Tuesday evening, December 13, at 7.30 p.m. The production is directed by Michael Holt.

With a small, pretty voice, she has a charming presence, while Brian Hughes, a tenor of the RNCM, is a fine actor. The opera is a companion piece to *Riders to the Sea*, which Brian Hughes, in collaboration with the RNCM, has produced in the theatre. The opera is presented in the RNCM Theatre on Tuesday evening, December 13, at 7.30 p.m. The production is directed by Michael Holt.

BBC appointment for Mackererras

The BBC has announced the appointment of Charles Mackererras as chief guest conductor of the BBC Symphony Orchestra. Mackererras follows Sir David and joins Pierre Boulez in this joint position. His first major concert with the orchestra will be at the Festival Hall on May 4 next, when he conducts works by Mozart and Mahler.

Tartuffe

by B. A. YOUNG

At the opposite end of the dramatic spectrum from the Theatre Nationale Populaire, the Greenwich company plays Molière's *Tartuffe* as a family comedy set in a prosperous Victorian sitting-room. The men in their frock-coats and the women in their long-skirted dresses. Peter Rice has designed for them a set that is both a stage and a home. Du Maurier drawing from a Punch of the last century, and the acting is kept to a naturalistic level that would never have caused the raising of an eyebrow in such august surroundings.

It has, I think, been confined to rather too low a tone, so that although the story and its moral are displayed with exemplary clarity the fun is almost entirely missing. The translation is by the director, David Thompson. It is in verse, often in rhyming verse, but very conversational in sound, especially as the company delivers the lines with freedom in the observation of the rhythm. Suddenly they may discover that, like M. Jourdain, they are speaking prose, and to my mind a translation that throws the verse over so completely might as well be in prose.

The playing, all the same, within this limitation—is really very good. We begin with an outstanding Madame Pernelle by Betty Hardy, a trim and looks most agree with a suggestion of Queen Mary about her. There is a properly positive Dorine from Freda Dowle, certain of her right to tell everyone what to do, a catlike Dams (Nell Darglish), a pretty Madame (Lynne Miller), a rather romantic Valere (Scott Antony) who even in this well-

behaved house might permit himself more passion. He ought certainly, though this must be the director's responsibility, to have been a little more of a man when his fortunes are reversed at the end. Victorian corsetry is all very well, but he even kisses Dorine before he kisses his fiancée, while she sits on the sofa beside her grandfather.

Orgon is played by Ewan Hooper in a very down-beat mood, quiet and contained, though brusque. Even quieter is Leonard Rossiter's Tartuffe, but this is a different kind of quietness, the sinister tone of a gangster. Mr. Rossiter, neatly turned out in a somewhat ill-fitting garb, creeps about the stage as quiet as a time-bomb, dripping his nauseous hypocrisy in a menacing half-voice. Elmiré (Ursula Mohan) brings a small occasional table into the middle of the room for Orgon to hide under when she sets her trap. If I had been Tartuffe, I should have looked under this table at once, since it is draped with a handsome dragnet which she has removed from the piano (a grand which Dorine likes to play as she talks) and looks most suspicious. This scene is curiously faked: I was as indifferently to Elmiré's fate as her husband seemed to be.

It is this curious lack of tension that mars what is otherwise a worthwhile production with a number of points in its favour. More colour, more excitement, that is what it needs.

Welsh National Opera plans

Brian McMaster, General Administrator of the Welsh National Opera, announced the company's plans for the first half of 1977 this week. The season starts with William Gaskill's production of *The Barber of Seville* and a revival of Michael Cato's production of *The Elbow of Love*. They will tour Wales's smaller centres—Mold, Aberystwyth and Haverfordwest—between January 25 and February 5.

The four-week spring season at Cardiff, opening March 20, opens with the first fully professional British staging of Verdi's *Macbeth* since its premiere, in a new translation by Stephen Oliver. It will also include *The Barber*, Britten's *Albert Herring*, Tippett's *The Midsummer Marriage*, besides further performances of *Il Trovatore*.

Private Patients Plan. Helping to get Britain back on top.

These days, every penny of foreign currency that can be earned through exports is vital. And that's where PPP comes in, helping to get Britain back on top where it belongs.

Companies who arrange private health insurance plans with PPP are confident that absence from work through illness can be minimised and productivity optimised.

PPP's Master Plan covers all its subscribers for approved in-patient hospital expenses up to £10,000 p.a. with no limit on the weekly benefit for private room charges.

But you don't have to be an exporter to benefit from PPP.

You don't even have to be a big company.

Any company can form a group with upwards of five subscribers and enjoy the discounts for which company groups qualify.

So complete and post the coupon today for a brochure giving you the full facts.

To: Private Patients Plan, FREEPOST, TURNBRIDGE WELLS, Kent TN1 2YJ. (No postage is required.) Please send me details of which which service interest you.

Company group schemes
Individual contracts
(I am under 65 years of age)

Name _____

Company (if applicable) _____

Address _____

Postcode _____

Telephone _____

Established 1940. Organised by The Provident Assurance Co. Ltd.

Private Patients Plan

Epitaph House, Turnbridge Wells, Kent TN1 2YJ.

Telephone 082 2636



082 2636

EUROPEAN NEWS

Iceland may allow U.K. to resume limited fishing

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT

BRUSSELS, Dec. 9.

MORE THAN a dozen British trawlers would be permitted to resume fishing in Icelandic waters on a temporary basis from early next year under a tentative agreement worked out between the European Commission and authorities in Reykjavik.

This was disclosed today by Mr. Finn-Olav Gundelach, the Danish Commissioner, who has assumed personal responsibility for negotiating external aspects of the EEC's new fisheries policy. But he warned that the chances of Iceland accepting the plan were only "fifty-fifty" and would depend on its Government's ability to satisfy domestic interests.

Mr. Gundelach also told journalists that the Commission

was considering offering the Soviet Union an annual fishing quota 50 to 55 per cent below its 1975 catch in EEC waters after the Community extends its fishing limits to 200 miles on January 1 next year. The Soviet catch last year exceeded 600,000 tons, and a cut of about 50 per cent would bring it into line with the annual average between 1964 and 1976—about 250,000 tons.

The Soviet Union has still not agreed officially to negotiate a fisheries agreement with the EEC, though Mr. Gundelach said that he has received informal indications that it might be prepared to do so. He added that the proposed offer to the Soviet Union exceeded the tacit approval of the U.K., the EEC member

most directly affected by Soviet fishing activities.

In London it is understood that the 250,000-tonne figure is acceptable to the British Government, provided that it applies only to 1977. The British aim is still that the Soviet catch in Community waters should come down to the level of the Community catch in Soviet waters over a period. That means about 60,000 tons.

The period of time is negotiable and has been put at between two and ten years. In fact, five years seems the most likely.

The tentative agreement worked out with Iceland is designed to bridge the gap between the U.K.'s bilateral fisheries accord with Iceland, which expired on December 2, and the negotiation of a more permanent arrangement between the EEC and the Government in Reykjavik.

Under the U.K. accord, 24 British trawlers were allowed to fish inside Iceland's 200-mile limit. All of them have now withdrawn.

Mr. Gundelach declined to specify how many British trawlers would be permitted to resume fishing there under the tentative agreement. The exact number would be determined on the basis of catch figures. But he said that he expected the Icelandic Government to spell out details in an "autonomous" statement by the end of next week.

The Commission plans to announce at the same time the size of the annual quota which it plans to offer Iceland under the future reciprocal fisheries agreement.

Mr. Gundelach said that the Commission's proposals for a directive on company structure, including worker participation in management decisions, has reached a stage of "very active consideration" and will soon be set out in detail. Companies would be allowed several alternative ways to meet the directive's requirements over a transitional period.

He also forecast that the EEC directive on company accounts, now in preparation, would be approved early next year, and would take into account the needs of companies where these have led to violations of internal market rules. However, he said, other cases were clearly due to the adoption of "bigger by neighbour" policies designed to enhance national competitiveness through unfair and illegal means.

New federation to co-ordinate EEC steel production

BY MICHAEL VAN OS

AMSTERDAM, Dec. 9.

THE EEC's leading steel producers decided today to establish in Luxembourg their new federation, Eurofer, to co-ordinate EEC steel production.

The idea is that EEC companies would voluntarily reduce their sales within the Community from January 1. Eurofer is likely to use its influence to ensure that the Commission's quotas are adhered to.

Mr. Evert Van Veen, chairman of the Dutch-German steel combination, said that a more formal and powerful organisation had become necessary because of the bleak outlook for European steel following the small improvement in the first half of the year. He said Eurofer would deal mainly with the Commission, supplying it with information on company activities, and also with other organisations such as trade unions and governments.

Mr. Van Veen said that the establishment of Eurofer did not mean that the so-called Denelux grouping, which includes West German, Dutch and Luxembourg steelmakers, would be given up.

"However," he said, "if the Eurofer idea works well, the future role of Denelux will only be a very secondary one."

He said that there had not been pressure at a meeting to abandon Denelux. It was realised that the companies were already intertwined by commercial and financial ties.

Mr. Van Veen said that the view taken today was that the Simonet Plan could serve to ease difficulties, "but it does not create additional demand, of course."

He also hinted that European producers were in broad agreement over the size of sales cutbacks they would be subjected to in the Simonet Plan, which is due to be published later this month. But he added that when the European situation improved, several points of the Simonet Plan should be withdrawn "as Brussels would otherwise retain too much influence."

Discussing the general outlook, he said that there was a problem arising from Spanish imports. "The quantities are not tremendous, but their prices are high," he said. If the Spaniards had surplus, they'll sell at any price.

He said that a Commission delegation was to visit Spain on Monday and Tuesday and that it was hoped that a restraint agreement would be reached similar to the one reached with Japan.

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Asked whether the diversion of Japanese supplies from the EEC to the U.S. would not reduce the U.S. to take protective actions, he said: "If the figures are analysed objectively, it will be found that whereas the Japanese are selling more to the U.S. in 1974 and 1975, they are delivering less than in the years when a voluntary restraint agreement between the two governments was in force."

Kissinger promises U.S. boost for Nato

By Robin Seeley

BRUSSELS, Dec. 9.

THE OUTGOING U.S. Secretary of State, Dr. Henry Kissinger, in what was probably his last official dispatch, delivered a message today from Mr. Jimmy Carter which promised that the U.S. commitment to the alliance would be "strong and strengthened."

Dr. Kissinger read the 200-word message to Nato foreign ministers at the opening session of the Atlantic alliance's semi-annual ministerial conference today.

"Our message lies at the heart of the partnership between North America and Western Europe. Nato is the essential instrument for enhancing our collective security. The American commitment to maintaining the Nato alliance shall be sustained and strengthened under my administration," Dr. Kissinger's valedictory statement on what was an emotional occasion for him and his Nato colleagues struck an optimistic note.

He was reported as saying that the prospects for peace in the Middle East were more hopeful than at any time since 1974.

This is attributed to the lessening influence of the Soviet Union, particularly in Syria, the "avoidance" of the Palestine Liberation Organisation, and the moderate stand taken by Saudi Arabia.

On Nato itself, he felt the alliance's cohesion was greatly enhanced after the internal disputes of recent years and reiterated that he saw no conflict between the desire for a strong Nato and détente.

One was a prerequisite for the other if the West wished to have an inventive détente policy.

Warsaw Pact ministers' meeting due

VIENNA, Dec. 9.

THE HUNGARIAN Defence Minister, Gen. Lajos Gábor, left Budapest for Sofia today to attend a meeting of Warsaw Pact Defence Ministers, the official MTI news agency reported. No exact date for the meeting has been announced, but the Hungarian Minister's departure suggested it would start tomorrow or on Saturday.

The Soviet Defence Minister, Marshal Dmitry Ustinov, has been in Budapest for several days in preparation for an official visit. The Defence Ministers' meeting, which follows a Warsaw Pact political summit two weeks ago in Bucharest, may include the announcement of a successor to the alliance's late Commander-in-Chief, Marshal Ivan Yakubovskiy, who died at the end of November.

These projections were based on hopes of a Western recovery he said, but he added that if exports to the hard currency area would cut back its imports in order to keep to its target of balancing trade by the end of the decade.

Exports to the West this year have risen 10 per cent in real terms, Mr. Kiesel said, but because of a drop in the world price of goods like coal, earnings had grown more slowly. Poland was selling 94 a ton less for coal this year.

On internal policy, Mr. Kiesel said his main aim was to raise industrial productivity and balance his budget despite the heavy burden of food subsidies. Because of the postponement of food price rises last June, these subsidies would rise by 28 per cent next year to about 10 per cent of the total budget. Subsidies at this level could not go on for long, and Mr. Kiesel said food prices must soon go up. He expected them to be raised some time next year, but he stopped rather short of once.

Other Polish sources close to the Government have said they expect the leadership to make its next bid to raise prices at a special party conference next autumn.

These projections were based on hopes of a Western recovery he said, but he added that if exports to the hard currency area would cut back its imports in order to keep to its target of balancing trade by the end of the decade.

Exports to the West this year have risen 10 per cent in real terms, Mr. Kiesel said, but because of a drop in the world price of goods like coal, earnings had grown more slowly. Poland was selling 94 a ton less for coal this year.

On internal policy, Mr. Kiesel said his main aim was to raise industrial productivity and balance his budget despite the heavy burden of food subsidies. Because of the postponement of food price rises last June, these subsidies would rise by 28 per cent next year to about 10 per cent of the total budget. Subsidies at this level could not go on for long, and Mr. Kiesel said food prices must soon go up. He expected them to be raised some time next year, but he stopped rather short of once.

Other Polish sources close to the Government have said they expect the leadership to make its next bid to raise prices at a special party conference next autumn.

These projections were based on hopes of a Western recovery he said, but he added that if exports to the hard currency area would cut back its imports in order to keep to its target of balancing trade by the end of the decade.

Exports to the West this year have risen 10 per cent in real terms, Mr. Kiesel said, but because of a drop in the world price of goods like coal, earnings had grown more slowly. Poland was selling 94 a ton less for coal this year.

On internal policy, Mr. Kiesel said his main aim was to raise industrial productivity and balance his budget despite the heavy burden of food subsidies. Because of the postponement of food price rises last June, these subsidies would rise by 28 per cent next year to about 10 per cent of the total budget. Subsidies at this level could not go on for long, and Mr. Kiesel said food prices must soon go up. He expected them to be raised some time next year, but he stopped rather short of once.

Other Polish sources close to the Government have said they expect the leadership to make its next bid to raise prices at a special party conference next autumn.

These projections were based on hopes of a Western recovery he said, but he added that if exports to the hard currency area would cut back its imports in order to keep to its target of balancing trade by the end of the decade.

Exports to the West this year have risen 10 per cent in real terms, Mr. Kiesel said, but because of a drop in the world price of goods like coal, earnings had grown more slowly. Poland was selling 94 a ton less for coal this year.

Lisbon water supply cut by bomb blast amid poll clashes

BY OUR OWN CORRESPONDENT

LISBON, Dec. 9.

A BOMB explosion cut off 30 per cent of Lisbon's water supply early this morning, four days before the Portuguese are due to vote in local elections.

This is the second time in four days that bombs have disrupted services here; commuter trains between Lisbon and the suburbs of Cascais and Estoril are just getting back to normal after an explosion damaged the line early on Monday morning. The identity of the bombers is still unknown.

The campaign for Sunday's elections was marred by clashes between police and demonstrators north and south of Lisbon last night. In the university city of Coimbra, 130 miles to the north, Left-wing students who attacked a Socialist Party rally were charged through the streets by police.

Left-wingers tried unsuccessfully to break up a Christian Democratic rally in the suburbs of Cascais, attended by the Party's president, Professor Diogo Freitas do Amaral, but again, police dispersed the crowd, injuring two people.

Appealing directly to the thousands of rural workers who set up last night and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

the Government will super-vise collective farms and unions private land last year and set up collective farms co-operatives, Mr. Barreto said: "You will lose

Brussels drops plan for food standards

BY OUR OWN CORRESPONDENT

BRUSSELS, Dec. 9.

THE EUROPEAN Commission has decided to drop its controversial proposals for the harmonisation of standards for processed foods throughout the Community in the face of strong opposition from the food industry and reluctance by member Governments.

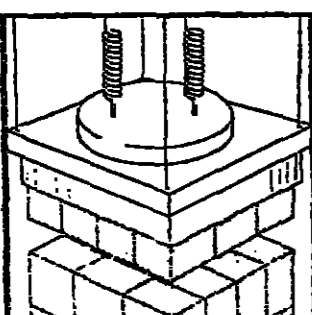
This was announced this morning by Mr. Finn-Olav Gundelach, the Danish Commissioner responsible for the Customs Union and Internal Market, who said he had concluded that the proposals were no longer realistic and that their adoption would not promote freer trade.

Many of the proposals were introduced as long ago as 1970—two years before Mr. Gundelach arrived in Brussels—and have aroused little enthusiasm among governments of the Nine.

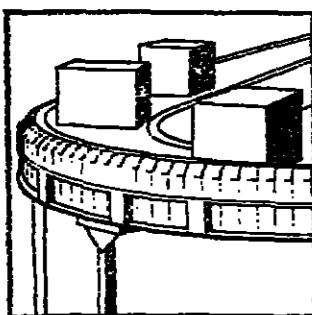
They cover ten categories of food, including beer, ice cream, bread, mayonnaise and higher quality confectionery.

Their withdrawal is one of the most tangible results so far of Mr. Gundelach's efforts to steer Commission policy away from harmonisation for its own sake and to concentrate instead on removing technical barriers which can be clearly shown to day that governments of the Nine would approve before the end of this year proposals requiring certain categories of public supply contracts worth more than 500,000 to be thrown open to

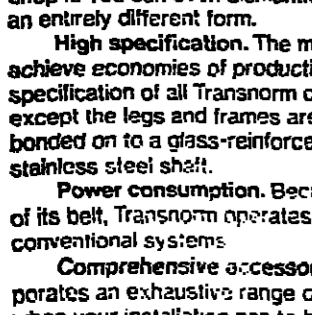
Four ways to improve your factory flow



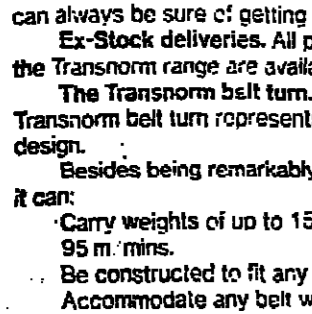
Way 1 Palletising
Major development in pallet forming. Handling six or more product lines at once. The exclusive feature of the Marryat Multistak palletiser is a suction-head. The machine accepts tier loads from as many as six production lines, in sequence, assembles them in the correct pattern and the suction-head then picks up the tiers and loads them onto the appropriate pallet. Fully programmable, it can deal with a variety of sizes, weights, flow-rates, and stacking patterns.



Way 2 Conveying
Transnom—the world's most advanced conveyor system. Transnom is designed for the modern factory. It meets, in detail, the demands of operating conditions today. Here are a few of its advantages. Flexibility. Transnom is of modular construction. Every last part fits into the standard system. This means that when you change your factory layout you can change the conveyor system at the same time, quickly and easily. You can extend, re-route or chop it. You can even dismantle it and reassemble it elsewhere in an entirely different form.



Way 3 Lifting and Lowering
Automatic vertical lifting and lowering within a conveyor system. For situations where units have to be moved continuously either upwards or downwards from one level to another, Marryat supply elevator equipment that has important advantages, both operationally and as regards maintenance. The Exel elevators are simple in design, compact, extremely reliable and give a high throughput. They are built in four standard model sizes and can handle most articles from light-weight cases and cartons up to pallet loads weighing a ton or more.



Way 4 Storing and Retrieving
Computerised mechanical handling for warehousing and in-process storage. An integrated system of storage, retrieval, stock control and accounting. Any company that needs to keep large stocks of goods must have some way of itemising and storing them. Then it must be able to retrieve them on demand. The conventional way of doing this is to store the goods statically, in some form of shelving, or racking and to employ order-pickers to take them out when needed. This practice is wasteful of both space and money. The PSB system of mechanical storage, order-picking and conveying overcomes these obvious problems and offers other important cost advantages. It can be introduced into stores, production and warehouses, in varying degrees of sophistication. In its most advanced form it can be controlled by EDP equipment or a computer.

Marryat
The mechanical handlers

Marryat Handling Limited, Lombard House, 10-12 Lombard Road, Merton, London SW19 3AR. Telephone: 01-542 8671. Telex: 922447 Marryat.

Stagnant output forecast for French industry

BY DAVID CURRY

PARIS, Dec. 9.

EXPECTATIONS OF stagnation in industrial output until the spring of next year and continuing lack of consumer confidence in the French economic situation are the main factors to emerge from a series of economic surveys published over the past few days.

The employers' organisation the Patronat and company economists predict general stagnation in industry until the second quarter while the Insee statistics institute's consumer survey shows that pessimism is more widespread than for more than a year.

Forecasts for industrial production vary widely according to sector. While consumer goods have managed a relatively sustained growth, capital goods failed to maintain past the autumn recovery of the earlier part of the year. The bulk of the rise in order books and in some areas the exhaustion of orders leave no hope for an early recovery, comments the Patronat.

The worst affected areas, it comments, are those facing "asymmetric competition" from overseas. The Association of Company Economists sees growth resuming in the second quarter of 1977 at a 1 per cent annual rate, with unemployment staying at around one million over the year. These expectations are based on the assumption that the Government will provide some stimulus to the economy early next year.

Meanwhile, M. Jean Delaunay, economic consultant to the advisory Economic and Social Committee, which brings together representatives of various economic groups, has said that the Government's 4.8 per cent target for economic growth in 1977 looks on the high side and that its belief that employment will improve by 1 per cent, on average also looks optimistic.

On the consumer front Insee finds that 37 per cent of individuals questioned forecast a decline in the standard of living and 43 per cent a rise in unemployment. However, it draws some comfort from the fact that 40 per cent of its sample expected a slowdown in price rises.

The Institute cautions that the pessimism may be exaggerated to the fact that people are not having to pay their four to eight per cent income tax surcharge to meet the costs of the summer drought; that the price freeze has hit small traders; and because of general worries over the problems of maintaining purchasing power.

Mr. Edmund Hoey, who was charged last month with the murder of Garda Michael Clarke, the policeman killed in a booby-trap explosion at Fortingbury, Co. Laois, in mid-October, also faces execution if convicted.

To-day's Supreme Court verdicts mean that the Irish Government will not be required to decide whether presidential clemency should be exercised in the Murphys' case.

The case, which was feared, could have led to a damaging split in the Cabinet's ranks. Ireland's Prime Minister, Mr. Liam Cosgrave, has been an advocate of capital punishment as a deterrent and has this year twice made it clear that

Schmidt moves to calm storm over pensions

BY ADRIAN DICKS

BONN, Dec. 9.

CHANCELLOR HELMUT Schmidt moved to-night to calm down a storm of indignation in the parliamentary ranks of his Social Democratic Party, aroused by the news that as one of its first actions during the new Bundestag term next week, the coalition Government will postpone for six months the 10 per cent increase in pensions due to be paid next July 1.

After a special meeting of SPD deputies to-night, Herr Schmidt indicated that he might be ready to give some ground, when he said the coalition's decision would be reviewed by a special working group. Meanwhile, angry SPD members made clear that they would press for a complete reversal of the pension postponement decision.

In its own reaction to the decision to postpone the pension increase, the Christian Democratic Union called Herr Schmidt's action a "spontaneous act of election promises," and pointed to one of his many assurances during the election campaign last autumn that "pensions are safe." In a brief statement, the CDU executive said "the Schmidt Government is beginning its work with a shattering breach of promise."

More ominously for the Chancellor, there were strong hostile reactions from the DGB

politically-motivated murderers would face the full rigours of the law. Under the 1964 Criminal Justice Act the death sentence is mandatory for the convicted murderers of policemen, prison wardens and the representatives of foreign Governments.

Mr. Cosgrave was notably unequivocal on the use of capital punishment following the assassination in July of Mr. Christopher Ewart-Bees, the new British Ambassador to Dublin. Many members of his Government, however, are strongly opposed to it. The last public hanging in Ireland was in 1964.

The Murphys' appeal was based on the point that the murdered Garda Reynolds was off-duty and in plain clothes when shot while intervening in a Dublin bank raid last September.

To confuse the issue further, the couple are self-confessed "anarchists" rather than members of any recognisable terrorist group. However, other murders committed by them fall squarely into the 1964 Act's offence of capital murder, and could well require a difficult Cabinet decision on clemency.

The Financial Times published daily except on Sundays and public holidays. Subscription price £12.00 per annum (including postage) in advance. Single copies 5p. (including postage).

The Financial Times published daily except on Sundays and public holidays. Subscription price £12.00 per annum (including postage) in advance. Single copies 5p. (including postage).

WORLD TRADE NEWS

Decisions by U.S. court may lead to trade war

BY DAVID BELL

WASHINGTON, Dec. 8.

AN AMERICAN Court is now considering two major cases which may have far-reaching implications for the future of international trade next year and could cause serious disruption in the coming months.

Both these cases—and three other contentious matters now being reviewed by the U.S. International Trade Commission—are being watched very closely by Japan and Europe and are certain to pose a number of difficult decisions for the incoming Carter Administration in the first few months.

One senior official to-day described the two cases as a "time bomb" which could conceivably lead to a "trade war" and could, at the least, do some damage to relations between the U.S. and its closest allies.

The first case involves a suit between the Zenith corporation, which makes colour television sets, and the U.S. Treasury which ruled at the start of this year that the tax rebates given to Japanese manufacturers for every set they export do not violate existing U.S. countervailing duty laws.

The Japanese Government levies a so-called "commodity tax" of some 15 per cent on each television made in the country, but refunds those in the case of television exports much as VAT (a more complex tax) is refunded to British exporters. The use of the refund in this Supreme Court. In the meantime a serious and so far little noticed problem may arise.

Advantage

However, some officials concede that since the law was passed there has been a deliberate shift in some countries away from direct taxes towards indirect ones which can be refunded. U.S. companies argue that since the majority of Japanese manufacturers for every set they export do not violate existing U.S. countervailing duty laws.

Last month the U.S. Customs Court in New York heard arguments in this case and its verdict is expected fairly soon. Whatever the result it is likely immediately to be appealed and will probably wind up in the Supreme Court. In the meantime a serious and so far little noticed problem may arise.

If, as some officials expect, the Court rules in Zenith's favour and the Treasury appeals there will be what is known as a "suspension of liquidation" which means that importers will be unable to set their final duty bills in case, eventually, retroactive countervailing duties are applied to the Japanese products.

In some cases observers fear that importers may be loath to take the risk and may instead decide to import no more until the air has cleared a little. "This case is a real sleeper. It has more potential for harm to the international trading system than all the rest of the trade cases put together," says Mr. Peter Suchman, Deputy Assistant Secretary of the Treasury for trade matters.

But it is not the only case now being considered. The Customs Court is also to consider a suit filed by U.S. Steel which alleges that the EEC's traditional refund of VAT paid on steel exports also represents an unfair subsidy under U.S. law. Some \$200-million of steel imports could be affected in this case if the Court finds in the company's favour.

On the horizon, apart from these two cases, are three major decisions by the U.S. International Trade Commission—on colour TV sets (where a separate investigation of dumping and other matters is under way), on the second time this has been considered) and sugar (which has a March deadline).

U.K. forced to raise Romanian suit import quotas

BY RHYS DAVID, TEXTILES CORRESPONDENT

THE GOVERNMENT has been forced to go back on its decision early this year to limit imports of East European men's suits into the U.K. as a result of a new EEC agreement with Romania.

The Department of Trade announced in March this year, after strong representations from the U.K. clothing industry, that a quota of 210,000 suits would be imposed on the Romanians for 1976. Under the new EEC agreement, however, the total for this year has been raised to 370,000, climbing further to 384,000 next year.

The new quota levels for suits

and other garments were strongly criticised in the textile industry last night. Mr. Richard Camrass, chairman of the Clothing Manufacturers, said: "The Government appears to have taken leave of its senses. It seems intent on giving away the British clothing industry."

The new quotas have been negotiated by the EEC within the framework of the GATT Multi Fibre Arrangement, which regulates world trade in textiles, and represent the first major trading agreement between one of the state trading countries and the Community as a whole. The traditional approach of the East

European countries has been to insist on bilateral agreements. The Romanians are known to have adopted a particularly hard line in the talks and this is evidently reflected in the agreement.

The EEC for its part has secured, at least in part, three of its basic aims in the talks: coverage of a wide range of Romanian exports by quota; agreement by the Romanians to maintain certain price floors; and agreement to open Romania to EEC textile exports.

The Community has had to concede high base levels, however, before controls come into

operation on a number of sensitive products, such as suits and men's and women's outerwear, and existing restrictions on suits have had to be scrapped.

U.K. clothing industry representatives were pointing out last night that considerable problems could now be caused as a result of the large addition which has been made to the suit quota. As a result of the restrictions introduced by the Government in March, arrivals in the first eight months of this year totalled only 150,000 suits, compared with over 230,000 more suits could be brought in this year under the

new quota but because of the difficulties likely to be involved in filling the quota in time, large numbers will probably arrive next year to add to the 384,000 quota allowed for 1976.

In men's jackets, Romania is to be allowed to export 237,000 units to Britain this year against 180,000 last year and 11 men's and women's overcoats the quota has been set at 120,000 for 1976 and 146,000 for 1977 compared with only 94,000 arrivals in 1975. The U.K. shirt market—already more than 70 per cent filled by imports—will have to accept some 330,000 Romanian shirts this year and 304,000 next year.

Australian tariff move

BY KENNETH RANDALL

CANBERRA, Dec. 9.

EXPORTERS OF processed foods appear to be one of the main losers in the Australian Government's decision to eliminate British preferential tariffs on 900 items in the tariff schedule.

The tariff-cutting exercise, which also involves some general rate reductions or eliminations, was announced by the Government on Tuesday as an offset to the inflationary effects of the Australian dollar devaluation now watered down from its original 17.5 per cent to 15.5 per cent.

For its stated purpose, the tariff-cutting is of marginal significance. The best estimate in Canberra is that its effect will be equivalent to a further reduction of the devaluation of about 1.5 per cent.

It thus appears to be little more than a sop to the many critics within Australia who have emphasised the inflationary effect of devaluation ahead of any stimulus which it gives to many tariff-protected domestic industries.

None of the 900 listed items competes in any significant way with Australian industry. If they did, the Government has conceded that they would not be in the list. For quite a range of smaller and medium-sized British exporters of specialty goods, however, the Australian tariff cuts may represent an important new price disadvantage.

Mr. Robert Muldoon, the New Zealand Prime Minister, said his country's import deposit scheme will be extended by six months to August next year.

NEWS ANALYSIS—GAS TURBINES DEAL

An Anglo-Soviet landmark

BY GEOFFREY OWEN

THE CONTRACT for gas turbine compressor modules which the Soviet Union yesterday placed with the COBERROW consortium

is the latest in a series of very large orders for similar equipment placed by the Russians over the past five years. Until yesterday, virtually all this equipment had been based on gas turbines designed by General Electric of the U.S. Now, for the first time, the Russians have accepted the light-weight gas turbine unit, based on the Rolls-Royce Avon engine, instead of the heavy-duty General Electric unit.

The Russians have needed to buy all this equipment as part of their huge investment in gas

pipelines, designed to increase the flow of oil and gas from the east of the Ural and in Siberia to Western Europe. All these pipelines have "booster" stations placed at intervals along the route, and they require large centrifugal compressors driven by gas turbines.

The GE-designed industrial gas turbine is widely used for this purpose in North America and throughout the world. GE has a number of manufacturing associates (including John Brown Engineering in Scotland), which manufacture to GE's design and buy certain key elements of the turbine from GE itself. These companies are free to compete directly against GE for any business available. GE itself won a \$252m. order in 1974 for 65 gas turbine compressor modules for the Bratsvo project, but this year one of the associates, AEG-Kanis of West Germany, won an even bigger order for 123 sets for the Orenburg pipeline.

Because of the size of these orders, the prime contractor has tended to parcel out some of the work among those companies qualified to undertake it. Thus John Brown Engineering received an order for 12 units as part of the General Electric order and more recently another order for 33 units, worth \$22m.

As part of the AEG-Kanis contract, the GE gas turbine is a single piece of machinery which drives the gas compressor. The rival lightweight system uses a derivative of an engine of the jet engine which is combined with an industrial power turbine to drive the compressor. The Rolls-Royce Avon engine has been extensively used for this purpose in the U.K., Canada and elsewhere. Both Cooper Industries, the U.S. company which is a member of the COBERROW consortium, and GEC (which was an unsuccessful bidder for the latest Russian order) have been responsible for

a number of gas pipeline installations based on the Avon engine.

In 1975 Cooper put in an offer incorporating the Avon engine for the Orenburg pipeline. Although it was not successful, the Russian response was sufficiently encouraging to justify further efforts to sell the lightweight unit. At the end of last year Rolls-Royce, which had been having a number of discussions with the Russians about jet engines both for aircraft and for industrial applications, was invited to compete for the Chelyabinsk project. Because Rolls-Royce does not normally set as prime contractor on this sort of business, a consortium was formed with Cooper and Williams Brothers, an international pipeline engineering concern. Later GEC was also invited to submit a tender.

The leading suppliers of the heavy-duty units competed hard for the Chelyabinsk project and until this week it was not certain that the Russians would plump for the lightweight system. The breakthrough now work among those companies up possibilities of substantially more business as new pipeline projects in the Soviet Union get under way.

Whatever the direct results of the contract, it is clearly a landmark in the history of Anglo-Soviet trade. It makes the first really sizeable dent in the \$900m. credit arrangement facility arranged by Sir Harold Wilson when Prime Minister at the beginning of last year. Until yesterday's announcement only \$42m. of the credit had been used and the British Government had been expressing concern over the disappointing level of business.

Yesterday's announcement can be regarded as both a commercial and a diplomatic triumph which should give a great fillip to Anglo-Soviet trade.

MAJOR SUPPLIERS TO SOVIET PIPELINE PROJECTS

Gas turbine equipment

| Company | Plant location |
|------------------------|-----------------------|
| General Electric | U.S. |
| AEG-Kanis | West Germany |
| Nuovo Pignone | Italy |
| Hitachi | Japan |
| John Brown Engineering | U.K. |
| Thomassen | Holland |
| Cooper Energy Services | Canada, Holland, U.K. |
| Ingersoll-Rand | U.K. |
| Nuovo Pignone | Italy |

More fears in Hong Kong over Canadian restraints

BY PHILIP BOWRING

HONG KONG, Dec. 9.

Hong Kong has yet to receive any assurances from Canada that it will abide by bilateral restraint agreements reached within the terms of the multilateral arrangement, according to acting director of Commerce and Industry, Mr. Bill Doward.

Hong Kong is still smarting from and worried by Canada's announcement last week that it is restricting textile imports for the period to end-1977 to 1978 levels (1975 was a depressed year).

Furthermore, the Canadians instituted a global quota system which overrides the specific bilateral agreements Hong Kong (like South Korea) has with

Canada. The three agreements, which relate to shirts, sweaters and outerwear, expire between June and October next year.

So far the trade has not been badly disrupted but it is felt here that it will come to a sudden grinding halt as the new Canadian global limits are reached during the course of 1978.

Questions are being asked in Hong Kong as to whether there is any point in agreeing to bilateral restraints if they can be thrown overboard by importations simply by reference to Article 19 of GATT which allows protective action if "serious injury" is caused or threatened to domestic industry.

Iran, Italy nuclear talks

BY ROBERT GRAHAM

TEHRAN, Dec. 9.

IRAN IS to consider a further diversification of its nuclear development programme by including Italy. Following the Iran's plans to build up to four-day visit here by Italian Commerce Minister, Sig. Rinaldon Ossola, it has been agreed that a group of Italian nuclear experts will visit Iran early next year.

Iran already has nuclear operation agreements with France, West Germany, Britain and in principle the U.S. Italian industry via Breda in Italy have prevented meeting since the initial session more than two years ago, and observers believe that Italy has suffered in its penetration of the Iranian market as a result.

have agreed that there is a need to examine means of a more direct Italian participation in Iran's plans to build up to 23,000 MW capacity of nuclear power over the next 20 years.

Sig. Ossola, who left to-day, was here for the second meeting of the joint Iranian-Italian mixed commission, established in June 1974 to monitor and encourage trade between the two countries. Political crisis since the initial session more than two years ago, and observers believe that Italy has suffered in its penetration of the Iranian market as a result.

GEC wins South Korea contract

BY MAX WILKINSON, INDUSTRIAL STAFF

THE General Electric Company yesterday announced contracts worth \$34m. for switchgear and generating equipment, from South Korea.

The company is to supply seven transmission substations for the second stage of the Korean 24KV transmission system. The contract follows an order for GEC equipment for the first stage of the system.

The equipment ordered includes 87 type SF6 circuit breakers, 15 power transformers

and associated switching equipment. Delivery is to start in 1978 with completion in 1980. The contract is valued at \$31m.

GEC is also to supply 30,000 KW double pass-out turbines with generators and condensing plant for the petrochemicals plant being built at South Korea by the Lummus Company for the Honan Petrochemical Company. This order worth \$2m. and will provide work for factories in Manchester, Salford, Rugby, and Loughborough, Northern Ireland.

The jet-powered compressor coup.

How Cooper Industries used an engineering breakthrough to outsmart some heavy-spending competitors.

In the early Fifties, several manufacturers of compressors, including Cooper Industries, all had the same good idea: a pipeline compressor that was driven by a turbine instead of a piston engine. The higher the pressure and horsepower requirements got, the more economical the turbine concept became. It would cost less, install faster, and need less maintenance.

Now the only problem was how to do it. Two of our competitors, each one much larger than Cooper Industries, began developing a turbine for pipeline use. They were investing tens of millions on research and development to overcome the technical hurdles.

There was no way Cooper Industries could invest that kind of money. It looked as though we were going to let this particular wave of the future pass us by.

Why re-invent the wheel?

Then our engineers had a brainstorm. Why even try to develop a turbine? Instead, we could buy turbines that were already being mass-produced—jet aircraft engines—and use them to drive our compressors. An ingeniously simple idea. Of course, there was a catch.

Pipelines don't fly

Jet engines of a 707, for example, had to be completely overhauled after a few thousand hours of operation. On the other hand, the kind of turbine needed for a pipeline would have to run for years, literally without stopping.

How did our engineers plan to get around this flaw?

Simple. Pipelines don't fly. Almost all of the wear and tear on an aircraft engine happens during takeoff when the engine is at full throttle. Our pipeline jets would never have to work that hard. They would

turn the compressor at a "cruising speed" year in and year out.

The jet-powered compressor takes off

In 1958, we began working with jet manufacturers to adapt engines to compressor service. Within a couple of years, our Cooper-Bessemer jet-powered compressors had become the industry standards in their horsepower and pressure range. We had succeeded in grabbing a big piece of the market at a fraction of our competitors' development cost.

Now the energy crisis has given the jet-powered compressor another boost. Gas that was once burned off as a nuisance by-product of oil wells is now being compressed and piped to liquefaction plants with our machines. And the light weight and low maintenance of the jet units make them ideal for offshore and remote locations where more and more gas is being sought.

We expect this boom to last quite a while. And when it ends, we're ready for that, too.

What goes up needn't always come down

At the time we invented the jet-powered compressor, Cooper Industries was strictly an energy products company. As with most one-product companies, our income followed a "boom and bust" cycle. Since 1967 we have pursued a concrete, pragmatic plan of growth and diversification. And because Cooper Industries is an operating company, not merely a holding company, we've been able to shape each of our businesses to stabilize earnings

further. Today Cooper Industries is a very well-balanced company with leadership positions in three industries.

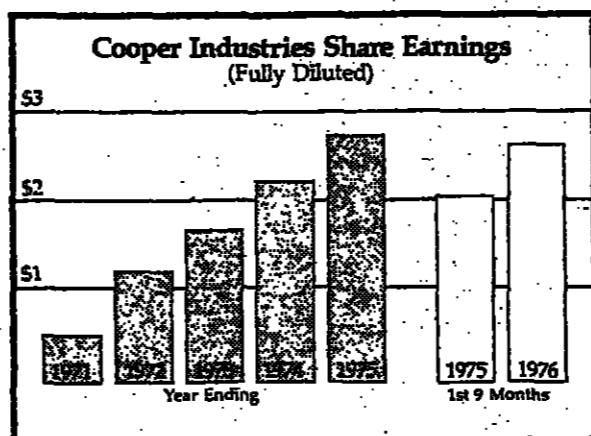
This story is continued in our annual report

Putting confidence in engineering is one of the things that the management of Cooper Industries has done right. As you can see from the chart, there have been others. Find out more from our latest annual report.

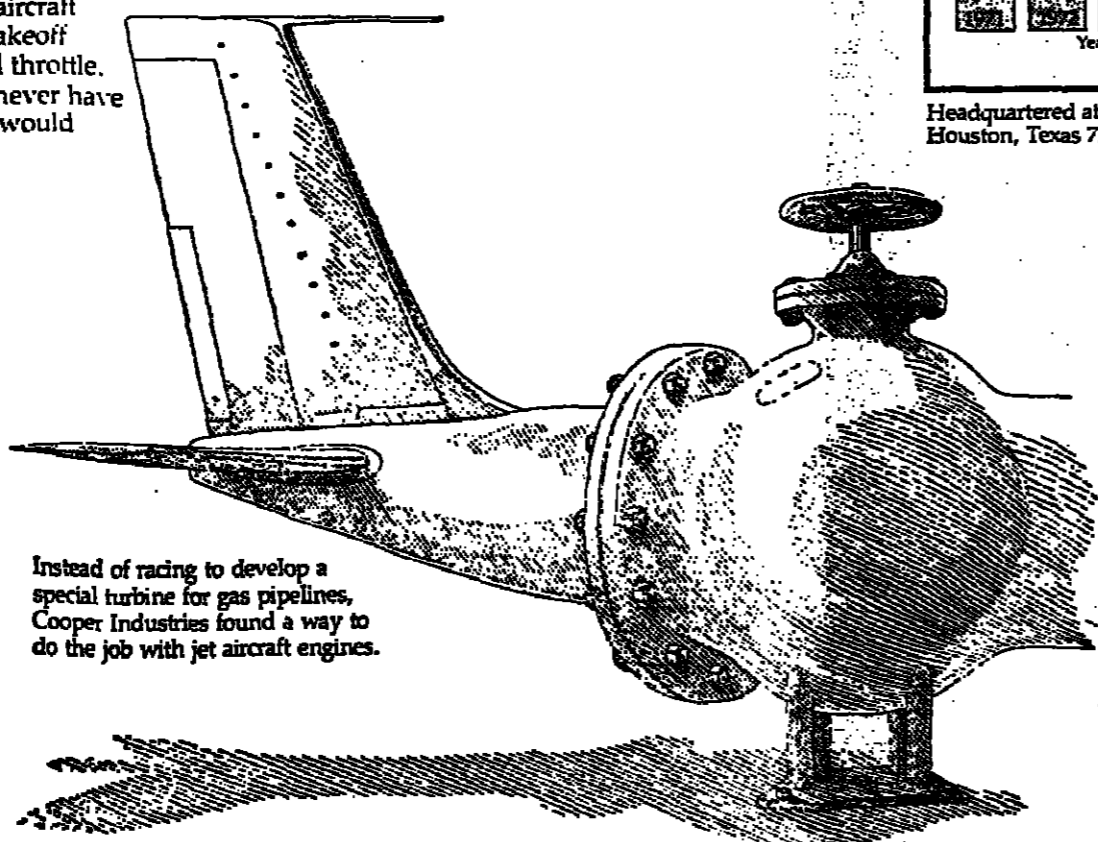
Write to: Cooper Industries, Inc., c/o Coopind Ltd., 173 Sloane Street, London, SW1X 9QJ, England.

Operate what you acquire. That's non-glomeratism. We put it to work in:

- Hand Tools
- The Cooper Group (Lufkin, Crescent, Weller, Nicholson, Xcelite), Rotor Tool.
- Aircraft Services
- Cooper Airmotive.
- Energy Services
- Cooper Energy Services (Cooper-Bessemer, Ajax, Penn Pump, Superior).



Headquartered at Two Houston Center, Houston, Texas 77002 U.S.A.



Instead of racing to develop a special turbine for gas pipelines, Cooper Industries found a way to do the job with jet aircraft engines.

Cooper Industries, Inc.
THE NON-GLOMERATE



1976.10.15.50

HOME NEWS

te company study £2bn. pipeline scheme

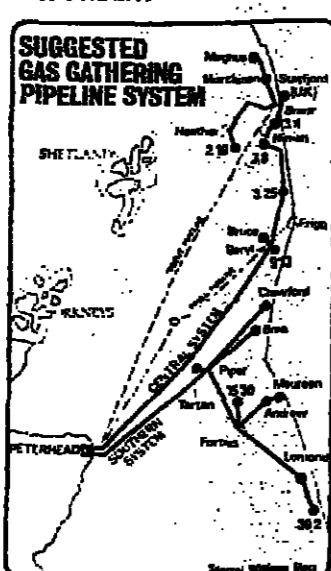
By Ian Hargreaves, Industrial Staff

THE CASH position of British companies improved again, after a brief setback, in the three months to the end of September, according to figures released by the British Steel Corporation and the British Independent Steel Producers' Association.

This is an increase of 6.4 per cent on the October figure and is nearly 22 per cent higher than in November last year.

Output in the first 11 months of the year averaged 433,500 tonnes a week, 12.1 per cent more than the corresponding figure last year.

Signs of a take-off in production have generated considerable optimism. It now feels that a real impact can be made in regaining some of its lost share of the home market, which is down to about 55 per cent.



Construction of the pipeline, which would be 11 miles long, is expected to start in the spring of 1977. The pipeline is expected to be completed by the end of 1978. The pipeline is expected to be completed by the end of 1978. The pipeline is expected to be completed by the end of 1978.

While the participants would not receive preferential treatment, the award of the contract would be a significant boost to the British gas industry. The award of the contract would be a significant boost to the British gas industry. The award of the contract would be a significant boost to the British gas industry.

Petroleum testing Firth discovery

By Ian Hargreaves, Industrial Staff

THE maximum amount of Moray Firth, recoverable reserves must be in the order of 300m. to 350m. barrels, according to a report by the British Petroleum Company.

British Petroleum has confirmed that it has been discussing the possibility of taking a substantial stake in the Transworld group's interest in block 21/1. The block is thought to contain at least two structures, the Buchan Field and another about 200 miles north. Drilling is taking place on both.

The well on the Buchan Field is designated a development/recoverable appraisal test. If the well reveals the presence of oil it will be used for production purposes.

It is thought Transworld will use the field and convert a semi-submersible rig to use as a floating platform. If BP is successful in its own rig Sea A, how-Quest might be used.

ans motorcycle ary engine

RIGHT

3 Triumph be done and progress towards a 1200 the production stage would be delayed. The product a year, Mr. had already absorbed the best of the best.

"Now the path to production is both nearer and clearer." "It is a very exciting machine to ride—very smooth and quiet with tremendous acceleration." "It is the kind of machine ten years Britain should have been developing with greater force, not a model, relying on old designs."

Mr. Gulliver's successor will be John Fosse, who becomes chief executive on January 1. He said last night that he looked forward to the full and free development of the company. He is an Oriel director as well as manager of the frozen food and retail divisions. He has been with the company for about two years.

Mr. Gulliver and his team have already announced that they intend to build a new company based in the U.K. and is two close to the Board. See Men and Matters, Page 16.

r leaves Oriel

ANDER

ER has re- Both Mr. Allister Grant, the man- and chief director, and Mr. David Woods, the finance director, are likely to leave, though RCA said they would continue in their pre- RCA of capacity during the transition period.

Mr. Gulliver's successor will be John Fosse, who becomes chief executive on January 1. He said last night that he looked forward to the full and free development of the company. He is an Oriel director as well as manager of the frozen food and retail divisions. He has been with the company for about two years.

Mr. Gulliver and his team have already announced that they intend to build a new company based in the U.K. and is two close to the Board. See Men and Matters, Page 16.

Steel hits two-year record output

By Ian Hargreaves, Industrial Staff

U.K. STEEL production reached its highest weekly average for almost two years last month at 497,100 tonnes, according to figures to-day from the British Steel Corporation and the British Independent Steel Producers' Association.

This is an increase of 6.4 per cent on the October figure and is nearly 22 per cent higher than in November last year.

Output in the first 11 months of the year averaged 433,500 tonnes a week, 12.1 per cent more than the corresponding figure last year.

Signs of a take-off in production have generated considerable optimism. It now feels that a real impact can be made in regaining some of its lost share of the home market, which is down to about 55 per cent.

Debt office

DUN AND BRADSTREET has opened a new office at 11 Queen's Parade, Bangor, Northern Ireland, which will provide a debt recovery facility for subscribers to the company's commercial collection service.

Companies continue to improve liquidity

BY MARGARET REID

THE CASH position of British companies improved again, after a brief setback, in the three months to the end of September, according to figures released by the British Steel Corporation and the British Independent Steel Producers' Association.

This is an increase of 6.4 per cent on the October figure and is nearly 22 per cent higher than in November last year.

Output in the first 11 months of the year averaged 433,500 tonnes a week, 12.1 per cent more than the corresponding figure last year.

Signs of a take-off in production have generated considerable optimism. It now feels that a real impact can be made in regaining some of its lost share of the home market, which is down to about 55 per cent.

European Bank water loan

By Stuart Alexander

AN AGREEMENT for a £10m. loan from the European Investment Bank was signed in Luxembourg yesterday by representatives of the National Water Council, the South West Water Authority and the Northumbrian Water Authority. The loan is for 12 years at 8 per cent.

Most of the money, £5m., will be used by Northumbria to help finance the Kielder water scheme. This involves the construction of a dam and a reservoir with a storage capacity of 185m. cubic metres at Kielder on the river Tyne and a system of tunnels and pipelines which will be used to regulate the flow of the river Tyne, Weir and Tees.

Regional GDP figures show South-East ahead

BY MICHAEL BLANDEN

THE SOUTH EAST was the only region of England to show an above average level of gross domestic product per head in 1974, according to figures in the latest issue of Economic Trends, published by the Central Statistical Office to-day.

It had the highest level with a figure of 116.6 (U.K. average 100). The lowest GDP per head was recorded by Northern Ireland, with 74.0, while Wales, at 83.9, and the North, at 90.1, were also among the lower regions.

The figures showed some changes in the relative positions of the different regions. The breakdown into regions was affected by boundary changes as a result of the local government reorganisation in 1974, but the general picture was that some of the most depressed regions had been improving their relative positions up to 1974.

The South East remained consistently at the top, but the North, Scotland and Northern Ireland all showed some improvement on 1969.

By contrast, the relative position of the West Midlands declined with the figure per head dropping in 1974 below the national average for the first time.

This relative decline was partly explained by the fall in the proportion of GDP throughout the U.K. accounted for by manufac-

GROSS DOMESTIC PRODUCT AT FACTOR COST Per head: U.K. = 100

| | 1966 | 1972 | 1973 | 1974 |
|--------------------------|-------|-------|-------|-------|
| North | 84.1 | 87.8 | 88.8 | 90.1 |
| Yorkshire and Humberside | 96.7 | 91.9 | 91.5 | 93.0 |
| East Midlands | 96.5 | 94.8 | 96.9 | 95.6 |
| East Anglia | 96.0 | 91.3 | 92.1 | 93.4 |
| South East | 114.7 | 116.2 | 115.8 | 116.6 |
| South West | 92.0 | 93.1 | 91.7 | 93.1 |
| West Midlands | 108.2 | 100.3 | 100.2 | 99.3 |
| North West | 95.7 | 96.2 | 95.9 | 94.5 |
| England | 103.3 | 102.7 | 102.5 | 102.6 |
| Wales | 84.2 | 87.6 | 87.0 | 83.9 |
| Scotland | 89.1 | 90.9 | 92.8 | 93.4 |
| Northern Ireland | 67.9 | 72.2 | 74.0 | 74.0 |
| United Kingdom | 100.0 | 100.0 | 100.0 | 100.0 |



It's what we call Miami, where it's summer all year long and where the bikini is the uniform of the suntanned, outdoorsy Miami girls. National Airlines flies you there nonstop from London. But that's not all. National also gives you the same airline service to Florida, the South and the West of the U.S.A. And convenient connecting service to just about anywhere else in the U.S.A., Central and South America and the Caribbean. When you fly National to Bikini Land, you do it without the congestion, the crowds, the cold winter winds of places like New York and Washington. You do it with great movies and great service, too.

Call your travel agent or National Airlines and say, "Take me, I'm yours" to Bikini Land.

National Airlines
"Take me, I'm yours."

Contact your travel agent or National Airlines (212) 627-6272, 212 Plaza, New York, N.Y. 10036. National Airlines Inc. is incorporated in the State of Florida, U.S.A.

HOME NEWS

Surge forecast for mechanical engineering

By KENNETH GOODING, INDUSTRIAL CORRESPONDENT

THE RECENT slackening in demand for mechanical engineering products is only temporary. The growth in new orders will resume and gain momentum through 1977, says the Mechanical Engineering Economic Development Committee (Little Nedd) in a report published today.

The average level of new orders in 1976 is expected to be about 15 per cent. higher than last year. And the Little Nedd forecasts further growth of 20 per cent. in 1977.

In the light of past experience, orders might be expected to peak in 1978. The extent to which they do will depend on the degree of success of measures to sustain export-led and investment-led growth, it maintains in its latest short-term trends study.

Home market customers for mechanical engineering equipment have been reviewing the timing of investment plans because capacity utilisation levels in industry are still low.

And, giving a hint that manufacturers are still not wholly convinced that the Government is as devoted to the industrial strategy as might appear from recent declarations, the report states: "The recent sharp rise in interest rates was seen by companies as an indication of where the priorities of policy lie."

Official expectations that the present high interest rates will be reduced are also encouraging

companies to defer capital expenditure on projects which involve raising outside funds.

Despite these qualifications, the Little Nedd expects a significant cyclical upturn in manufacturing investment in the U.K. over the next 18 months, although not as large as the 15 to 20 per cent. rise forecast by the Department of Industry's Investment Intentions survey published in October.

The latest forecast from the Confederation of British Industry indicates a rise of between 10 and 15 per cent. and today's study seems to support this view.

"In particular we expect investment plans which were previously deferred because of liquidity problems to be implemented. The emphasis will be on replacement and defensive investment directed to labour saving and other cost cutting objectives rather than to expansion," it states.

"Any further Government action to assist investment on the part of the earlier accelerated projects scheme is likely to be valuable in sustaining investment."

Total production in 1976 is expected to be 2 and a half per cent. below that of 1975. But 1977 should show a 4 to 6 per cent. increase on this year.

"Mechanical engineering short-term trends summary." Free from Nedd Books, 1 Steel House, 11 Tothill St., London, S.W.1 9JL.

U.K. team in Boeing collaboration talks

By MICHAEL DONNE, AEROSPACE CORRESPONDENT

A SMALL TEAM from the U.K. aerospace industry is to visit Boeing in Seattle next week, to clarify further proposals for Boeing for Anglo-U.S. collaboration on the T-7 short to medium range aircraft project.

The U.K. team will comprise representatives from the British Aircraft Corporation and Hawker Siddeley Aviation, working under the auspices of the Organising Committee for British Aerospace. The body set up to prepare for the nationalisation of the industry under the chairmanship of Lord Beswick.

The visit demonstrates the desire of the Government and the organising committee to press ahead with plans for aerospace nationalisation, despite the delays in pushing the Bill through Parliament.

Even if the Bill fails again this session, it is now recognised throughout the industry that some radical reorganisation will become necessary and that, in any case, the main hope for the future lies in extensive international collaboration with either the U.S., the Continent, or both.

The T-7 is a plan by Boeing for a new aircraft for the 1980s and has been discussed with airlines round the world. When Mr. Gerald Kaufman, Britain's Aerospace Minister, visited the U.S. soon after the Farnborough Air Show last September, he was told that Boeing would welcome collaboration on the T-7 programme from the U.K.

Next week's talks will be a continuation of those discussions. While there is still no commitment on either side, it is becoming increasingly clear that Boeing would like to have U.K. participation, both financial and

industrial, and the aim of the U.K. visit is to explore this possibility in greater detail.

The U.K. team will be accompanied by representatives of the West German aerospace industry as observers, since Boeing has also been discussing the possibility of German participation in the T-7 programme.

As part of its determination to press ahead with nationalisation, the Department of Industry yesterday announced two new appointments to the Aerospace Organising Committee.

They are Mr. F. W. Page, managing director (aircraft) for the British Aircraft Corporation and chairman and managing director of its commercial air division, and Mr. C. H. Hough, deputy managing director of Hawker Siddeley Dynamics, the guided weapons and space company in the Hawker Siddeley Group.

Both men will be part-time members of the organising committee with immediate effect, but when nationalisation has been achieved and the formal British Aerospace Corporation has been established, they will become full-time members of its Board.

It was made clear yesterday that, despite current uncertainties surrounding the future of the industry, especially in shipbuilding, there is no intention of the part of Lord Beswick, chairman of the British Aerospace Organising Committee, to resign.

Lord Beswick is known to be strongly in favour of a good future for the U.K. aerospace industry, especially in international collaboration, and he is determined to remain at the head of the industry to see the nationalisation through.

Court 'should rule on rights'

A PROPOSED Bill of Rights would mean that Government plans to nationalise industry or introduce a wealth tax could be challenged in court, it is becoming increasingly clear that the grounds they were not in the public interest.

It would also give the right not to belong to a trade union, says the Cobden Trust, a research and education charity associated with the National Council for Civil Liberties.

In a discussion paper published yesterday, Mr. Jeremy McBride and Mr. Peter Wallington of Cambridge University suggest a constitutional court with the final word on human rights.

People who believed their rights had been infringed could bring action in existing courts with the right of appeal to the constitutional court.

The constitutional court would comprise lay members as well as judges, and would be empowered to give binding interpretations on the Bill of Rights.

But the authors did not believe the Bill should be entrenched like the American Constitution, which forbids Congress from passing any law that infringes it.

Parliament should be able to override the Bill in cases of emergency.

If Parliament abused this right, the Bill would be useless, but they felt public outcry would prevent too many abuses.

The Bill would be based on the European Convention of Human Rights, which would cut the amount of time in bringing it to the statute books.

ITV moves to regain viewers

By ARTHUR SANDLES

ITV HAS chosen old films to fill seven of the 12 evening prime time slots in its Christmas scheduling. In its plans announced yesterday ITV also confirmed that it had purchased the top rated (in audience terms) American detective series, Charlie's Angels, for its winter programmes.

Another American series, Rich Man Poor Man, has been bought to bolster flagging Saturday night audience figures and timed to overlap the start of BBC's successful import, Starsky and Hutch.

Charlie's Angels is one of the success stories of recent American television history. With its team of three pretty female detectives it went straight to the top of the ratings when launched and helped to move the NBC network from its traditional

place at the bottom of the ratings league.

ITV has produced what it calls a "competitive schedule" for Christmas in opposition to the BBC. It includes many of the normal programmes—such as Within These Walls and the Sweepstakes Game—which have been "insidelung" for the occasion.

In addition there will be special Christmas programmes, such as the first John Currier ice spectacular, the Stanley Baxter Christmas Box and Bruce Forsyth in his first full-length comedy play.

ITV films will include Waterloo, Puppet on a Chain, Gigs, From Russia with Love, Zulu, Patton and Flanagan's Rainbow. For much of the Christmas season the programmes will be fully networked.

BBC films over the same

Fidelity Life rescue scheme go-ahead

By Eric Short

THE PETITION for the winding-up of Fidelity Life Assurance was yesterday dismissed by Mr. Justice Studdart at the High Court hearing, enabling the rescue scheme to be put into operation.

Mr. Peter Shore, then Secretary of State for Trade, presented the petition in July, 1975, after Fidelity Corporation, the American parent, had refused to make a cash injection to ensure solvency.

Since then discussions have been taking place to implement a rescue scheme which would pay the 13,000 policyholders their benefits in full.

The corporation is putting up at least £1.5m. to finance the scheme, £700,000 now, £800,000 in 1982 and further sums as necessary after that date.

The scheme was agreed after prolonged negotiations with many organisations, including the Department of Trade and the Policyholders' Protection Board as well as Fidelity Life and Fidelity Corporation.

The Policyholders' Protection Board played a leading part in arranging the scheme, which will operate as a closed fund under the management of the Norwegian Union Insurance.

Policyholders who have fallen into arrears with their premium payments or had surrendered their policies will be given a chance to reinstate their contracts.

The judge also made an order under Section 50 of the Insurance Companies Act 1974, which will protect the fund from any legal action arising from delayed payments on contracts which have already matured.

Mr. S. Clinton Davis, Under Secretary for Trade, commented last night that the outcome of the first case to come within the powers given to the Policyholders' Protection Board under the Act, 1975, showed that the legislation was working to the advantage of the policyholders concerned.

Mr. S. Clinton Davis, Under Secretary for Trade, commented last night that the outcome of the first case to come within the powers given to the Policyholders' Protection Board under the Act, 1975, showed that the legislation was working to the advantage of the policyholders concerned.

Mr. S. Clinton Davis, Under Secretary for Trade, commented last night that the outcome of the first case to come within the powers given to the Policyholders' Protection Board under the Act, 1975, showed that the legislation was working to the advantage of the policyholders concerned.

Raise grants by 35% say students

By Our Education Correspondent

A CLAIM for a 35 per cent. increase in student grants is to be recommended by the National Union of Students executive to the union's winter conference in Blackpool this week-end.

The claim, for the academic year starting next autumn, would raise the main rate of grant for students living away from home while taking advanced courses outside London—from £875 to £1,185. The rate for London would go up from £955 to £1,290. In all, the NUS proposals would raise the yearly cost of student support from about £2,700 to roughly £4,000.

The NUS executive is also pressing for the Government to abandon its proposed legislation to withdraw social security benefits from students during the Christmas and Easter vacations, and for an end to the means test by which students from higher income homes receive a reduced grant which their families are supposed to supplement.

A recent Government survey indicated that nearly three-quarters of the students concerned were receiving less than the expected amount of supplement from their parents.

The National Council for Civil Liberties said: "The Bill would give everyone the right to challenge the Government in the courts if they felt their rights had been infringed."

"For instance, in Britain there is no right to privacy as there is in Europe. The Bill would set standards which the Government has to abide by."

"One of the problems is that the Bill gives much more power to judges."

"Undoubtedly there are other disadvantages as well but the report is meant to provoke discussion and we feel sure any weaknesses can be overcome."

Civil Liberties and a Bill of Rights. By Jeremy McBride and Peter Wallington. Cobden Trust, 186, King's Cross Road, W.C.1. £1.50.

Benn tells Commons of radioactive leak at Windscale

FINANCIAL TIMES REPORTER

RADIOACTIVE water has leaked from an old storage silo at the spent nuclear fuel reprocessing plant at Windscale, Cumbria, Mr. Anthony Wedgwood Benn, Secretary for Energy, told MPs in a written answer yesterday.

The leak—from a silo containing highly radioactive waste, chiefly spent fuel containers—was discovered in October during excavation for the construction of a new silo.

Radioactivity in one corner of the construction site was high enough to need strict control over access, but there was no evidence that the seepage reached ground water or contaminated surface water.

The company said that no workers had been exposed to radiation above normal safe limits. As the contamination was confined to a small area of ground in the middle of the site there was no effect on the public.

This incident—however trivial in reality—has come to light at a particularly sensitive time for the company, which has requested planning permission for its £600m. redevelopment of its Windscale site.

Two weeks ago, Mr. Peter Shore, Secretary for the Environment, said that he needed more time to consider the company's application. In light of the protests from anti-nuclear interests objecting to plans to expand the reprocessing of spent nuclear fuel from other countries.

The recent report from the Royal Commission on Environmental Pollution criticised "housekeeping" practices at Windscale—criticisms which were accepted by British Nuclear Fuels.

British Nuclear Fuels said: "The silo is an old one which has been in use since the early 1960s. It has substantial concrete walls but the walls of this original part of the building are single and some seepage may have developed below ground level."

"The later additions have double walls with a space between which is monitored. This ensures that any leakage could be detected and recovered."

As soon as the source of the contamination can be positively established, appropriate action will be taken in consultation with the Nuclear Installations Inspectorate to deal with the cause and clean up the area.

In the meantime there are no safety problems and no reason to expect any.

IPC to mount £2m. sales drive

By PAMELA JUDGE

IPC MAGAZINES is mounting a £2.2m. sales drive for all its publications next spring after a successful £1.4m. "counter attack" promotion this autumn.

The spending includes the launch of a new monthly magazine, Woman's World, which was on the stocks, abandoned at the time of the three-day week.

Announcing the campaign to about 300 wholesale newsagents and retailers in London yesterday, Mr. Patrick Barnes, circulation director, said that the 70 pages had been well exceeded. A colour page next to matter reversed and that most titles would show increased ABC sales figures over the last six months.

More than half the £2.2m. would be put behind the four, with heavy television advertising over a 16-week period.

Woman's World will be the focus of one of the biggest IPC launches for some years. It is aimed at an ABC readership and the print order for the first three issues is 355,000 a month.

Advertisers have welcomed the new arrival to the extent that the first issue's advertising target of 70 pages has been well exceeded. A colour page next to matter reversed and that most titles would show increased ABC sales figures over the last six months.

Chemical warfare plant closure plan attacked

By DAVID CHURCHILL, LABOUR STAFF

THE GOVERNMENT has admitted that its plans to close the Nantwich chemical works in the event of war against Britain and her allies in NATO.

Mr. Michael Hamilton, Tory MP for Salisbury, said in a recent defence debate in the Commons that "chemical weapons exist which can produce a lethal concentration over a substantial area within seconds."

The decision to close Nantwich and transfer sufficient production facilities to the Porton biological warfare research station was taken earlier this year as part of the defence review.

Plea for energy saving by better phone links

By CHRISTOPHER LORENZ, ELECTRONICS CORRESPONDENT

THE INCREASED use of telecommunications technology could reduce countries' petroleum consumption by up to 5 per cent. and their total energy use by up to 3 per cent.

One of the main factors would be the substitution of telephone conferences for some business travel, according to an article in a new international quarterly, Telecommunications Policy, published today by IPC.

Jointly written by researchers in Canada, the U.S. and the U.K., the article is the first internationally-published review of recent studies in several countries on the potential of telecommunications for energy saving.

A Canadian study quoted in the paper suggests that 20 per cent. of inter-city business trips might be unnecessary if acceptable telecommunications alternatives were available.

This would save 3 per cent. of the total energy consumption of the Canadian transport sector, equivalent to about 0.86 per cent. of national energy use.

Ladbroke buys holiday complex in £3m. deal

LADBROKE HOLIDAYS, the holiday camp, caravan and boat-holiday subsidiary of the Ladbroke Group, is buying a 57 acre Carmarthen Bay self-catering villa and caravan complex from St. Donat's Estates, a subsidiary of the Hodge Group, for £430,000 in cash.

It is also paying £235,000 for a letting agency and the leasehold interest in 32 holiday villas at the centre from privately-owned Westward Beach Holiday Homes.

The two will become the Carmarthen Bay Holiday Village, which is expected to produce a pre-tax profit of £180,000 for Ladbroke next year.

Ladbroke and its joint company, Ladbroke and Courage Holidays will be spending about £1.7m. on capital development of present sites before next season.

Pyramid Chemical Products, the Golden Chemicals company, should be wound up, its affairs "cry out for investigation," deputy judge Mr. Michael Wheeler QC, said in the High Court in London yesterday.

The judge was making a winding-up order until December 21 to see if the Stevenage, Hertfordshire, company could produce satisfactory undertakings.

The printing plant of the Scottish Daily News in Glasgow is to be sold by auction next month.

Wealth tax pledge

The CBI said yesterday that if a wealth tax were introduced, it would oppose it by every means in its power, because of the impact such a measure would have on farms and small businesses.

Fleet Street strife blamed on sectional short-term attitudes

By CHRISTIAN TYLER, LABOUR STAFF

INDUSTRIAL RELATIONS in most national newspapers showed "considerable reform," the Advisory, Conciliation and Arbitration Service said in a report to the Commission on the Press, published yesterday.

ACAS said that sectional attitudes by both employers and unions were at the root of many of the problems.

The main causes of conflict were identified as the casual labour system, demarcation lines, pay structures that harm differentials, poor disputes procedures, inadequate consultation and communication and fragmented bargaining at local level. (There are 360 bargaining groups in Fleet Street.)

Competition between newspapers and the heavy cost of losing even a day's issue helped to create fragmented bargaining and short-term attitudes on both sides towards disputes.

Summary of the report

Industrial Relations Policy: An important industrial relations problem is the absence of any authoritative formulation of industrial relations policy and its communication to all levels of management. In few cases is there a written industrial relations policy; there is often a lack of understanding among managers on what company objectives are in this field.

Each house should set out in writing the aims of its industrial relations policy, which should be discussed and approved at Board level to give it the necessary authority.

A summary should be widely available, and communications and policy should be reviewed to ensure that regular written and oral information reaches all functions of managers, FOC (chapel heads) and employees.

They should monitor the introduction of new techniques into their houses, and include full-time union officers, as well as chapel officials on the union side and the chief executive on the management side.

Departmental Committees (JHCs): Each JHC should create these as vehicles for departmental consultation and where appropriate negotiation. They would build upon existing departmental links between chapels.

Slow reaction

Disputes Procedures: Agreed disputes procedures are sometimes not adhered to by chapels, and management are sometimes slow in dealing with points raised by chapels. No comprehensive dispute procedure is kept.

Domestic disputes procedures should be defined and should be embodied in the procedural agreement setting up the JHCs. Records of the progress of issues in dispute should be maintained and records should be monitored, analysed and presented to members of JHCs.

Provision of Information: Houses should review their policy on disclosure of information. The JHCs should be the fullest possible disclosure, which is a pre-requisite to an effective consultative policy.

United action

In particular the practice of secrecy of agreements made between chapels and management should be reconsidered and thought given to making such agreements generally available within the House.

The Newspaper Publishers Association: A number of criticisms have been made of the NPA and in particular the degree of commitment to united action by NPA members. The NPA is a need for a continuing and continuous association of employers within the industry machinery. In this way the importance of house-level bargaining would gradually grow while national bargaining would become less significant.

Single system

National Disputes Procedures: At the moment FOCs representing production workers are reluctant to involve the formal national procedures, because of the time involved in setting up meetings and because they are often unwilling to involve fully representatives in house disputes.

The JHC should consider providing a single national disputes procedure, reducing the "three tier" system to two tiers: each side, enabling a dispute to be directly concerned with the house, or the industry, and unions to be involved in the JHC, and drafting a model procedure for use in all houses.

Some progress has been made towards more rational plant-wide rates structures for production workers. Changing technology will also have an effect on some of the problems.

There is not yet, however, any formal machinery for the whole industry. The JHCs should be encouraged to develop machinery to deal with demarcation issues. Such machinery might be set up under the auspices of the TUC Printing Industry Committee.

The London Branches: There is no formal machinery for liaison between London branch and regional officers of the unions. A London Joint Union Committee (LJUC) should be set up.

This would act purely as a means of communication and discussion of common problems. Its areas of interest would be decided among the unions themselves.

Chapel Organisation: The proposed arrangements within

houses will require and stimulate closer links between chapels. New initiatives should be taken by union branches and chapels to reduce the number of chapels to promote closer links between chapels within the same union in each house, and to develop inter-union joint chapel arrangements within particular departments. The LJUC could play a part in these developments.

Job's House Committees (JHCs): Managements and chapels should seek house bargaining over the widest possible range of issues, and should take any existing negotiating chapels, representatives as well as full-time union officers.

The JHCs should deal with consultation on future planning and current issues and should take any existing negotiating chapels, representatives as well as full-time union officers.

They should monitor the introduction of new techniques into their houses, and include full-time union officers, as well as chapel officials on the union side and the chief executive on the management side.

Departmental Committees (JHCs): Each JHC should create these as vehicles for departmental consultation and where appropriate negotiation. They would build upon existing departmental links between chapels.

Slow reaction

Disputes Procedures: Agreed disputes procedures are sometimes not adhered to by chapels, and management are sometimes slow in dealing with points raised by chapels. No comprehensive dispute procedure is kept.

Domestic disputes procedures should be defined and should be embodied in the procedural agreement setting up the JHCs. Records of the progress of issues in dispute should be maintained and records should be monitored, analysed and presented to members of JHCs.

Provision of Information: Houses should review their policy on disclosure of information. The JHCs should be the fullest possible disclosure, which is a pre-requisite to an effective consultative policy.

United action

In particular the practice of secrecy of agreements made between chapels and management should be reconsidered and thought given to making such agreements generally available within the House.

The Newspaper Publishers Association: A number of criticisms have been made of the NPA and in particular the degree of commitment to united action by NPA members. The NPA is a need for a continuing and continuous association of employers within the industry machinery. In this way the importance of house-level bargaining would gradually grow while national bargaining would become less significant.

Single system

National Disputes Procedures: At the moment FOCs representing production workers are reluctant to involve the formal national procedures, because of the time involved in setting up meetings and because they are often unwilling to involve fully representatives in house disputes.

The JHC should consider providing a single national disputes procedure, reducing the "three tier" system to two tiers: each side, enabling a dispute to be directly concerned with the house, or the industry, and unions to be involved in the JHC, and drafting a model procedure for use in all houses.

Some progress has been made towards more rational plant-wide rates structures for production workers. Changing technology will also have an effect on some of the problems.

There is not yet, however, any formal machinery for the whole industry. The JHCs should be encouraged to develop machinery to deal with demarcation issues. Such machinery might be set up under the auspices of the TUC Printing Industry Committee.

The London Branches: There is no formal machinery for liaison between London branch and regional officers of the unions. A London Joint Union Committee (LJUC) should be set up.

This would act purely as a means of communication and discussion of common problems. Its areas of interest would be decided among the unions themselves.

Chapel Organisation: The proposed arrangements within

houses will require and stimulate closer links between chapels. New initiatives should be taken by union branches and chapels to reduce the number of chapels to promote closer links between chapels within the same union in each house, and to develop inter-union joint chapel arrangements within particular departments. The LJUC could play a part in these developments.

Job's House Committees (JHCs): Managements and chapels should seek house bargaining over the widest possible range of issues, and should take any existing negotiating chapels, representatives as well as full-time union officers.

The JHCs should deal with consultation on future planning and current issues and should take any existing negotiating chapels, representatives as well as full-time union officers.

They should monitor the introduction of new techniques into their houses, and include full-time union officers, as well as chapel officials on the union side and the chief executive on the management side.

Departmental Committees (JHCs): Each JHC should create these as vehicles for departmental consultation and where appropriate negotiation. They would build upon existing departmental links between chapels.

Slow reaction

Disputes Procedures: Agreed disputes procedures are sometimes not adhered to by chapels, and management are sometimes slow in dealing with points raised by chapels. No comprehensive dispute procedure is kept.

Domestic disputes procedures should be defined and should be embodied in the procedural agreement setting up the JHCs. Records of the progress of issues in dispute should be maintained and records should be monitored, analysed and presented to members of JHCs.

Provision of Information: Houses should review their policy on disclosure of information. The JHCs should be the fullest possible disclosure, which is a pre-requisite to an effective consultative policy.

United action

In particular the practice of secrecy of agreements made between chapels and management should be reconsidered and thought given to making such agreements generally available within the House.

The Newspaper Publishers Association: A number of criticisms have been made of the NPA and in particular the degree of commitment to united action by NPA members. The NPA is a need for a continuing and continuous association of employers within the industry machinery. In this way the importance of house-level bargaining would gradually grow while national bargaining would become less significant.

Single system

National Disputes Procedures: At the moment FOCs representing production workers are reluctant to involve the formal national procedures, because of the time involved in setting up meetings and because they are often unwilling to involve fully representatives in house disputes.

The JHC should consider providing a single national disputes procedure, reducing the "three tier" system to two tiers: each side, enabling a dispute to be directly concerned with the house, or the industry, and unions to be involved in the JHC, and drafting a model procedure for use in all houses.

Some progress has been made towards more rational plant-wide rates structures for production workers. Changing technology will also have an effect on some of the problems.

There is not yet, however, any formal machinery for the whole industry. The JHCs should be encouraged to develop machinery to deal with demarcation issues. Such machinery might be set up under the auspices of the TUC Printing Industry Committee.

The London Branches: There is no formal machinery for liaison between London branch and regional officers of the unions. A London Joint Union Committee (LJUC) should be set up.

This would act purely as a means of communication and discussion of common problems. Its areas of interest would be decided among the unions themselves.

Chapel Organisation: The proposed arrangements within

houses will require and stimulate closer links between chapels. New initiatives should be taken by union branches and chapels to reduce the number of chapels to promote closer links between chapels within the same union in each house, and to develop inter-union joint chapel arrangements within particular departments. The LJUC could play a part in these developments.

Job's House Committees (JHCs): Managements and chapels should seek house bargaining over the widest possible range of issues, and should take any existing negotiating chapels, representatives as well as full-time union officers.

The JHCs should deal with consultation on future planning and current issues and should take any existing negotiating chapels, representatives as well as full-time union officers.

They should monitor the introduction of new techniques into their houses, and include full-time union officers, as well as chapel officials on the union side and the chief executive on the management side.

Departmental Committees (JHCs): Each JHC should create these as vehicles for departmental consultation and where appropriate negotiation. They would build upon existing departmental links between chapels.

Slow reaction

Disputes Procedures: Agreed disputes procedures are sometimes not adhered to by chapels, and management are sometimes slow in dealing with points raised by chapels. No comprehensive dispute procedure is kept.

Domestic disputes procedures should be defined and should be embodied in the procedural agreement setting up the JHCs. Records of the progress of issues in dispute should be maintained and records should be monitored, analysed and presented to members of JHCs.

Provision of Information: Houses should review their policy on disclosure of information. The JHCs should be the fullest possible disclosure, which is a pre-requisite to an effective consultative policy.

United action

In particular the practice of secrecy of agreements made between chapels and management should be reconsidered and thought given to making such agreements generally available within the House.

The Newspaper Publishers Association: A number of criticisms have been made of the NPA and in particular the degree of commitment to united action by NPA members. The NPA is a need for a continuing and continuous association of employers within the industry machinery. In this way the importance of house-level bargaining would gradually grow while national bargaining would become less significant.

Single system

National Disputes Procedures: At the moment FOCs representing production workers are reluctant to involve the formal national procedures, because of the time involved in setting up meetings and because they are often unwilling to involve fully representatives in house disputes.

The JHC should consider providing a single national disputes procedure, reducing the "three tier" system to two tiers: each side, enabling a dispute to be directly concerned with the house, or the industry, and unions to be involved in the JHC, and drafting a model procedure for use in all houses.

Some progress has been made towards more rational plant-wide rates structures for production workers. Changing technology will also have an effect on some of the problems.

There is not yet, however, any formal machinery for the whole industry. The JHCs should be encouraged to develop machinery to deal with demarcation issues. Such machinery might be set up under the auspices of the TUC Printing Industry Committee.

The London Branches: There is no formal machinery for liaison between London branch and regional officers of the unions. A London Joint Union Committee (LJUC) should be set up.

This would act purely as a means of communication and discussion of common problems. Its areas of interest would be decided among the unions themselves.

Chapel Organisation: The proposed arrangements within

houses will require and stimulate closer links between chapels. New initiatives should be taken by union branches and chapels to reduce the number of chapels to promote closer links between chapels within the same union in each house, and to develop inter-union joint chapel arrangements within particular departments. The LJUC could play a part in these developments.

Job's House Committees (JHCs): Managements and chapels should seek house bargaining over the widest possible range of issues, and should take any existing negotiating chapels, representatives as well as full-time union officers.

The JHCs should deal with consultation on future planning and current issues and should take any existing negotiating chapels, representatives as well as full-time union officers.

They should monitor the introduction of new techniques into their houses, and include full-time union officers, as well as chapel officials on the union side and the chief executive on the management side.

Departmental Committees (JHCs): Each JHC should create these as vehicles for departmental consultation and where appropriate negotiation. They would build upon existing departmental links between chapels.

Slow reaction

Disputes Procedures: Agreed disputes procedures are sometimes not adhered to by chapels, and management are sometimes slow in dealing with points raised by chapels. No comprehensive dispute procedure is kept.

Domestic disputes procedures should be defined and should be embodied in the procedural agreement setting up the JHCs. Records of the progress of issues in dispute should be maintained and records should be monitored, analysed and presented to members of JHCs.

Provision of Information: Houses should review their policy on disclosure of information. The JHCs should be the fullest possible disclosure, which is a pre-requisite to an effective consultative policy.

United action

In particular the practice of secrecy of agreements made between chapels and management should be reconsidered and thought given to making such agreements generally available within the House.

The Newspaper Publishers Association: A number of criticisms have been made of the NPA and in particular the degree of commitment to united action by NPA members. The NPA is a need for a continuing and continuous association of employers within the industry machinery. In this way the importance of house-level bargaining would gradually grow while national bargaining would become less significant.

Single system

National Disputes Procedures: At the moment FOCs representing production workers are reluctant to involve the formal national procedures, because of the time involved in setting up meetings and because they are often unwilling to involve fully representatives in house disputes.

The JHC should consider providing a single national disputes procedure, reducing the "three tier" system to two tiers: each side, enabling a dispute to be directly concerned with the house, or the industry, and unions to be involved in the JHC, and drafting a model procedure for use in all houses.

Some progress has been made towards more rational plant-wide rates structures for production workers. Changing technology will also have an effect on some of the problems.

There is not yet, however, any formal machinery for the whole industry. The JHCs should be encouraged to develop machinery to deal with demarcation issues. Such machinery might be set up under the auspices of the TUC Printing Industry Committee.

The London Branches: There is no formal machinery for liaison between London branch and regional officers of the unions. A London Joint Union Committee (LJUC) should be set up.

This would act purely as a means of communication and discussion of common problems. Its areas of interest would be decided among the unions themselves.

Chapel Organisation: The proposed arrangements within

houses will require and stimulate closer links between chapels. New initiatives should be taken by union branches and chapels to reduce the number of chapels to promote closer links between chapels within the same union in each house, and to develop inter-union joint chapel arrangements within particular departments. The LJUC could play a part in these developments.

Job's House Committees (JHCs): Managements and chapels should seek house bargaining over the widest possible range of issues, and should take any existing negotiating chapels, representatives as well as full-time union officers.

The JHCs should deal with consultation on future planning and current issues and should take any existing negotiating chapels, representatives as well as full-time union officers.

They should monitor the introduction of new techniques into their houses, and include full-time union officers, as well as chapel officials on the union side and the chief executive on the management side.

Departmental Committees (JHCs): Each JHC should create these as vehicles for departmental consultation and where appropriate negotiation. They would build upon existing departmental links between chapels.

Slow reaction

Disputes Procedures: Agreed disputes procedures are sometimes not adhered to by chapels, and management are sometimes slow in dealing with points raised by chapels. No comprehensive dispute procedure is kept.

Domestic disputes procedures should be defined and should be embodied in the procedural agreement setting up the JHCs. Records of the progress of issues in dispute should be maintained and records should be monitored, analysed and presented to members of JHCs.

Provision of Information: Houses should review their policy on disclosure of information. The JHCs should be the fullest possible disclosure, which is a pre-requisite to an effective consultative policy.

United action

In particular the practice of secrecy of agreements made between chapels and management should be reconsidered and thought given to making such agreements generally available within the House.

The Newspaper Publishers Association: A number of criticisms have been made of the NPA and in particular the degree of commitment to united action by NPA members. The NPA is a need for a continuing and continuous association of employers within the industry machinery. In this way the importance of house-level bargaining would gradually grow while national bargaining would become less significant.

Single system

National Disputes Procedures: At the moment FOCs representing production workers are reluctant to involve the formal national procedures, because of the time involved in setting up meetings and because they are often unwilling to involve fully representatives in house disputes.

The JHC should consider providing a single national disputes procedure, reducing the "three tier" system to two tiers: each side, enabling a dispute to be directly concerned with the house, or the industry, and unions to be involved in the JHC, and drafting a model procedure for use in all houses.

Some progress has been made towards more rational plant-wide rates structures for production workers. Changing technology will also have an effect on some of the problems.

There is not yet, however, any formal machinery for the whole industry. The JHCs should be encouraged to develop machinery to deal with demarcation issues. Such machinery might be set up under the auspices of the TUC Printing Industry Committee.

The London Branches: There is no formal machinery for liaison between London branch and regional officers of the unions. A London Joint Union Committee (LJUC) should be set up.

This would act purely as a means of communication and discussion of common problems. Its areas of interest would be decided among the unions themselves.

Chapel Organisation: The proposed arrangements within

houses will require and stimulate closer links between chapels. New initiatives should be taken by union branches and chapels to reduce the number of chapels to promote closer links between chapels within the same union in each house, and to develop inter-union joint chapel arrangements within particular departments. The LJUC could play a part in these developments.

Job's House Committees (JHCs): Managements and chapels should seek house bargaining over the widest possible range of issues, and should take any existing negotiating chapels, representatives as well as full-time union officers.

The JHCs should deal with consultation on future planning and current issues and should take any existing negotiating chapels, representatives as well as full-time union officers.

They should monitor the introduction of new techniques into their houses, and include full-time union officers, as well as chapel officials on the union side and the chief executive on the management side.

Departmental Committees (JHCs): Each JHC should create these as vehicles for departmental consultation and where appropriate negotiation. They would build upon existing departmental links between chapels.

Slow reaction

Disputes Procedures: Agreed disputes procedures are sometimes not adhered to by chapels, and management are sometimes slow in dealing with points raised by chapels. No comprehensive dispute procedure is kept.

Domestic disputes procedures should be defined and should be embodied in the procedural agreement setting up the JHCs. Records of the progress of issues in dispute should be maintained and records should be monitored, analysed and presented to members of JHCs.

Provision of Information: Houses should review their policy on disclosure of information. The JHCs should be the fullest possible disclosure, which is a pre-requisite to an effective consultative policy.

United action

In particular the practice of secrecy of agreements made between chapels and management should be reconsidered and thought given to making such agreements generally available within the House.

The Newspaper Publishers Association: A number of criticisms have been made of the NPA and in particular the degree of commitment to united action by NPA members. The NPA is a need for a continuing and continuous association of employers within the industry machinery. In this way the importance of house-level bargaining would gradually grow while national bargaining would become less significant.

Single system

National Disputes Procedures: At the moment FOCs representing production workers are reluctant to involve the formal national procedures, because of the time involved in setting up meetings and because they are often unwilling to involve fully representatives in house disputes.

The JHC should consider providing a single national disputes procedure, reducing the "three tier" system to two tiers: each side, enabling a dispute to be directly concerned with the house, or the industry, and unions to be involved in the JHC, and drafting a model procedure for use in all houses.

Some progress has been made towards more rational plant-wide rates structures for production workers. Changing technology will also have an effect on some of the problems.

There is not yet, however, any formal machinery for the whole industry. The JHCs should be encouraged to develop machinery to deal with demarcation issues. Such machinery might be set up under the auspices of the TUC Printing Industry Committee.

The London Branches: There is no formal machinery for liaison between London branch and regional officers of the unions. A London Joint Union Committee (LJUC) should be set up.

This would act purely as a means of communication and discussion of common problems. Its areas of interest would be decided among the unions themselves.

Chapel Organisation: The proposed arrangements within

houses will require and stimulate closer links between chapels. New initiatives should be taken by union branches and chapels to reduce the number of chapels to promote closer links between chapels within the same union in each house, and to develop inter-union joint chapel arrangements within particular departments. The LJUC could play a part in these developments.

Job's House Committees (JHCs): Managements and chapels should seek house bargaining over the widest possible range of issues, and should take any existing negotiating chapels, representatives as well as full-time union officers.

The JHCs should deal with consultation on future planning and current issues and should take any existing negotiating chapels, representatives as well as full-time union officers.

They should monitor the introduction of new techniques into their houses, and include full-time union officers, as well as chapel officials on the union side and the chief executive on the management side.

Departmental Committees (JHCs): Each JHC should create these as vehicles for departmental consultation and where appropriate negotiation. They would build upon existing departmental links between chapels.

Slow reaction

Disputes Procedures: Agreed disputes procedures are sometimes not adhered to by chapels, and management are sometimes slow in dealing with points raised by chapels. No comprehensive dispute procedure is kept.

Domestic disputes procedures should be defined and should be embodied in the procedural agreement setting up the JHCs. Records of the progress of issues in dispute should be maintained and records should be monitored, analysed and presented to members of JHCs.

Provision of Information: Houses should review their policy on disclosure of information. The JHCs should be the fullest possible disclosure, which is a pre-requisite to an effective consultative policy.

United action

In particular the practice of secrecy of agreements made between chapels and management should be reconsidered and thought given to making such agreements generally available within the House.

The Newspaper Publishers Association: A number of criticisms have been made of the NPA and in particular the degree of commitment to united action by NPA members. The NPA is a need for a continuing and continuous association of employers within the

Ships chief a casualty of Tory obstruction—Varley

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

THE GOVERNMENT still had hopes yesterday that its chosen chief executive for the proposed British Shipbuilders Corporation, Mr. Graham Day, would "reconsider his decision" to resign.

Mr. Eric Varley, Industry Secretary, went so far as to make a public appeal when he told the Commons of the intention of 43-year-old Canadian, Mr. Day, to quit his post on the organising committee out of which would grow the State Board when the industry was finally nationalised.

Nobody could doubt that Mr. Varley considered Mr. Day's proposed departure a heavy blow to the Government's nationalisation plans. He did it less than the Minister's bitterness when Mr. John Biffen, shadow Secretary for Industry, hinted that the Bill to enable the State to take over the aircraft and shipbuilding industries could be expected to run into further delays.

Mr. Varley pointed angrily at the Opposition benches and accused the Tories, in particular Tory peers, of "not giving a fig" for the industries. "All they want is some kudos for wrecking the Bill—but in the process they are willing to wreck the industry," declared the Minister.

Labour backbencher Mr. Norman Buchanan (Renfrew, W.), claimed there was a conspiracy of Tories, Scottish Nationalists and the House of Lords to destroy the Bill.

Mr. Varley entirely agreed, and said that Mr. Day was the "first casualty" of the obstruction the Opposition had suffered. "I hope they are proud of what they have done," he added acerbically.

pointed out that if it encountered a "thicket of procedural difficulties" in the Lords, this would be a "sorry situation" for the industry, the only way forward was nationalisation.

From the Tory backbenches, Mr. Michael Gyles (Surrey NW), contended that Mr. Day's resignation showed that the Tories had been right to dispute the "huge amounts" spent by the organising committee.

Mr. Varley accused the Opposition of raising "squalid little points" to defend their actions. He claimed that the committee had been building up home and foreign contacts to get orders for the industry.

Mr. Julian Amery, (C, Brighton Pavilion), contended that Mr. Varley had been unable to convince Mr. Day that the Bill was going to be enacted in the lifetime of this Parliament.

Minister, still had any influence in his party, he would persuade the Tories to do what was best for the industry—get the Bill on to the Statute Book as quickly as possible in the New Year.

Mr. Eddie Loyden (Lab., Garston) said that private ownership had meant a reduction of 2,000 to 3,000. All the shipbuilding workers were behind the Government over public ownership, he said, to loud Tory shouts of "no."

Mr. Eric Heffer (Lab., Walton), also referring to Merseyside, said there would be great regret at Mr. Day's decision. "Can we prevail on you to make further representations to him to reconsider his position?" he asked.

Mr. Varley replied that Mr. Day was highly regarded throughout the industry. He had done a magnificent job and his frustration was understandable. "I think I should consider that further. It may well be even at this late stage we can ask him to reconsider his decision."

TORY VIEWS ON DEVOLUTION

Bewilderment in both Scottish camps

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE APPOINTMENT of Mr. Teddy Taylor to be Conservative front bench spokesman on Scottish affairs came as a double shock to the party in Scotland yesterday and left it, in the words of one leading member, "like a load of chickens with their heads chopped off, running around in circles."

Those party workers in favour of devolution, albeit on a reduced scale from the Government's proposals, now make up a majority of the party. They were shocked and confused by the replacement of a man of their own mind as their chief spokesman by one of the most hard line anti-devolutionists in the party.

Buchanan-Smith and Mr. Malcolm Riffkind from the Tory front bench have weakened the party in Scotland, but more damage may yet follow. A number of voluntary workers who make up the backbone of the party are reserving their position—waiting to see whether what is said during next week's second reading debate on the devolution Bill gives them cause to resign as well.

They fear that Mr. Taylor's appointment may be the beginning of an about-turn by the party, leading to the eventual renunciation of the pledge on devolution made by Mr. Heath in 1968.

react but to keep their minds on the task of rebuilding party strength and winning back seats from the Nationalists and Labour.

The appeal was weakened by the fact that Mr. Fairgrieve's own position is well known. He is a strongly pro-devolutionist and shares the view that a vote against the Bill on second reading would be widely interpreted in Scotland as a vote against devolution.

The distinction of being for devolution in principle, but against the Government's proposals, which represent the fact to most Scottish electors, could prove too subtle.

Promise

It is difficult to say whether their bewilderment was equalled or surpassed by those in the other camp, who have looked to Mr. Taylor as their champion. After years of no-nonsense opposition, they had to watch while he repeated the shadow Cabinet's "commitment in principle."

Revival

His own resignation was refused by Mrs. Thatcher and he remains uneasily as Scottish leader. The blow to party morale could not have come at a worse time. Contrary to all expectations, the Tories have experienced something of a revival during the past year. Opinion poll ratings have been rising, membership has again been climbing and spirits are at their highest for years.

Du Cann urges reform of MPs' powers to scrutinise spending

BY JOHN HUNT

WIDE-RANGING reforms to enable the House of Commons to keep public expenditure levels under strict and continuous surveillance were proposed yesterday by Mr. Edward du Cann, chairman of the Commons Public Accounts Committee.

Opening the annual debate on the work of the Committee, he told the House that the Exchequer and Audit Department Act of 1886 which restricts the work of the Comptroller and Auditor-General should be scrapped.

He suggested that the Exchequer and Audit Department should be reorganised on the lines of its U.S. counterpart in Washington. It should have far wider powers than at present and should employ a varied team of specialists instead of just accountants.

He also urged that the Public Accounts Committee should be given the task of monitoring the cash limits on spending which are now being introduced. The whole question of reforms should be investigated and reported on by the Public Accounts Committee or should be the subject of a Royal Commission inquiry if that was thought appropriate.

Mr. du Cann particularly emphasised the need for the House to establish some form of machinery to keep a strict eye on spending by local authorities, nationalised industries and subsidised bodies of all kinds. He pointed out that at the moment Parliament has no access to inside information about these bodies.

"I strongly suspect that there is far greater waste and extravagance in these undetected areas than in areas controlled by Ministers," he declared.

He thought that the waste resulting from the activities of these organisations was probably a vast sum in addition to the £1bn. which some people had estimated the Public Accounts Committee were uncovering each year in over-spending and inefficiency by central government.

A similar case was put to the House by Mr. John Garrett (Lab., Norwich S.), a member of the Expenditure Committee. He suggested that 12 committees should be set up under the Public Accounts Committee and Expenditure Committee. Each one would act as a watchdog on a particular Dept. of State.

Mr. du Cann argued that for many years, back-benchers had been unable to fulfil their duty of controlling the public purse-strings. The House should now urgently consider ways in which the control of expenditure and the use of public funds could be made more positive.

"The truth is that public expenditure is out of control and has been for many years. This is the biggest cause of inflation in our economy."

"I believe budgets should be absolutely controlled and vigorously monitored by a Select Committee, Public Accounts Committee or whatever. They should not be exceeded without prior approval. There should not be extra expenditure without compensatory saving."

He pointed out that cash limits were now being introduced to cover about two-thirds of total Government spending. There would be annual and monthly reports on how these limits were being met.

"I hope the Public Accounts Committee will be able to discuss with the Treasury ways in which the Committee might monitor this process and make regular reports to the House," he said.

"We have this instrument of the Public Accounts Committee. If the House wishes to use it more, then we shall be very pleased."

He maintained that something much simpler was required than the Act of 1886, which had been in force since the time when total Government spending was £30m a year.

"In my opinion, the Act is now obsolete. It restricts the State audit body in various ways and limits the field they may cover. We must find an apparatus for surveying all of this area in detail."

Worries over NHS administration

In his review of the recent work of the Committee, Mr. Du Cann was critical of many elements of Government, but particularly of the National Health Service.

He said it was spending £4bn. a year and seemed to have a limitless demand. The Committee was by no means certain that it was providing value for money and would continue to take a close interest in its administration.

He said that there seemed to be something very wrong with the administration of the NHS. The committee had had to look into a whole series of matters where there had plainly been slackness and a failure to account properly at a time when every penny needed to be spent wisely.

Mr. du Cann said that during the coming year the committee would be looking further at the question of Parliamentary accountability of the National Enterprise Board.

"Rugs sums are involved. At this moment, there is no proper, recognised or clearly defined method by which Parliamentary scrutiny of the NEB can take place."

The Public Accounts Committee would do well to develop a modus operandi in this matter.

attacks CAP on prices

REPORTER

In seeking pluses, three, taking out of the farm's budget the social measures which should be the responsibility of individual Governments."

Mr. Silkin assured the House that he wanted to see British producers receive the cost of production but emphasised that at the present time too much of the EEC's resources were going into subsidising inefficient foreign farmers.

Another anti-marketier, Mr. Neil Martin (C, Banbury), the most described the CAP as "one of the longest-running farces in Europe." If it was not possible to overcome vested interests, it might be better to have a national agricultural policy, he argued.

Mr. Silkin commented that the national policy within the CAP might be conceivable. Acknowledging the difficulties still facing the pig meat sector in Britain, the Minister pointed out that some improvement had resulted from changes in the monetary compensation amounts agreed in Brussels—considerably more than had ever been achieved before.

Labour moderates

VELL LOBBY STAFF

Labour made a clean sweep in the elections for six backbench MPs to sit on the party's influential Liaison Committee.

Apart from the Manifesto Group chairman, Mr. Sydney Irving, the other successful candidates were Mr. Tom Urwin, Mr. John Cartwright, Mr. Philip Whitehead, Mr. Jack Ashley, and Mr. Fred Wiley.

LABOUR NEWS

'Racial' stewards 'will have to go'

BY ALAN PIKE, LABOUR STAFF

PAY OFFERS to thousands of craftsmen employed by local authorities and water undertakers have been rejected because they do not guarantee payment of the £2.50 Phase Two minimum increase.

Negotiators for the two public authorities said that they are prepared to pay hourly-paid workers only for time actually worked. Men who would qualify for £2.50 in a full week would get proportionately less if, for instance, they were on short-time, and completed less than 40 hours.

The offer was rejected by the executive of the Confederation of Shipbuilding and Engineering Unions in York yesterday. The confederation is campaigning for payment of the full £2.50 throughout the coming winter. Industry has said that it will consider backing this with industrial action if necessary.

Members of the executive decided yesterday to write to the local authority and water employers saying that the confederation's position in engineering applied equally in the public sector.

It has also told its member unions that they should not settle for less than the £2.50 increase even in weeks when members work fewer than 40 hours. Executives of individual unions are being asked to discuss with their members what action should be taken if employers fail to comply.

Mr. Jack Service, general secretary, said the confederation regarded the £2.50 as a guaranteed minimum for a week's work. The Engineering Employers Federation has said that it will consider backing this with industrial action if necessary.

Yard will not shut, workers promised

A FIRM commitment to keep the Redpath Dorman Long old platform construction yard at Methil open and ready for business was given yesterday by the management.

To-day, shop stewards will tell the workers at the Fife yard that prospects are brighter than they have been for the last nine months.

The 1,049 manual workers at the yard have been given redundancy notices effective on February 13 and told that only 30 to 100 men will be retained to keep the yard on a care and maintenance basis.

After a two-hour meeting in Kirkcaldy Town House yesterday, shop stewards convened Mr. Tom Coyle said: "We asked the company to keep 500 men on diversified steel work."

"While we did not get that guarantee the management have promised that the yard will not be closed. They want it working and ready for new jacket orders, which are expected in the latter half of next year."

The management said that it was actively pursuing orders in Brazil, India and the Far and Middle East. It said that it was quietly confident.

Jobs threat warning

A NEW warning of industrial action by local government workers whose jobs are threatened by expenditure cuts came last night from Mr. Alex Thompson, assistant local government officer of the National and Local Government Officers Association.

He told Surrey members of the union that the union would take action "if the livelihoods of its members are at stake."

Hauliers criticise ACAS code

THE ROAD Haulage Association has told the Advisory, Conciliation and Arbitration Service that its suggested code of practice for time off for trade union activities is "completely unrealistic" as far as almost all employers in road haulage are concerned.

Apart from objections to some of the details, the association is claiming an entirely different code should be devised for undertakings which have fewer than 100 workers and provide the kind of service given by hauliers.

"The code is designed for use in large highly unionised undertakings which have a static labour force."

"It completely disregards the difficulties which will be encountered in industries such as road haulage, which is comprised of small undertakings with a highly mobile and labour intensive work force."

Application of the provisions of the code in this industry will result in the closure of many road haulage businesses because of the absence of drivers designated 'lay officials' means that expensive vehicles, which still need to be taxed and insured, will have to be laid up."

Electrician strike fails to halt Rubery Owen plant

PRODUCTION for the motor industry of petrol tanks, wheels, chassis members and other components continued at Rubery Owen, Darlaston, yesterday in spite of a strike of electricians.

The electricians demand payment for being available for work during the three-week stoppage by 120 maintenance engineers that caused havoc with production programmes at British Leyland, Ford and elsewhere in the vehicle industry. Thousands of workers were laid off and many have still to be recalled.

The electricians' action came immediately after the engineers resumed on Tuesday, and informal talks yesterday held over until today to enable the electricians to put their claim in specific money terms.

Rubery Owen had hoped to catch up on the backlog caused by the strike, but it is only a matter of time before production losses again increase as plant and equipment fail for lack of maintenance by the electricians.

A department making chassis in 1960 and was already in British Leyland still has more than 1,000 workers laid off at underdevelopment five factories in Wales and the years ago.

Midlands making radiators, body pressings, axles and other components. Baxby Rover unit at Solihull and MG sports cars at Abingdon remain at a standstill.

More than 4,000 have been recalled at Longbridge and Castle Bromwich.

Jaguar maintained the final finish section yesterday, but there was no main assembly at Browns Lane, Coventry, where 1,800 workers were idle.

Machining at the associated Radford factory is badly disrupted, with 1,500 laid off, because of the strike by 21 Transport and General Workers' Union members over a setter, Mr. Terry Chamberlain, who set up a machine to run too fast.

Rail projects manager

MR. DICK KEEGAN has been appointed projects manager for Merseyside's £25m underground and loop line extension and loop line extension next year. He joined the railway in 1960 and was planning assistant on the Mersey tunnel project.

Courtaulds to hold talks on Flint closure

BY OUR LABOUR STAFF

COURTAULDS senior management agreed last night to hold further talks with Mr. Dick Jones, general secretary of the Transport and General Workers' Union, about plans to close the company's textile plant at Flint in North Wales.

But workers at the company's other plants which face closure failed yesterday to persuade management to change its mind.

Following a lengthy meeting between unions and management at the Skelmersdale plant, the company said last night that it could still see no prospect of the factory being commercially viable.

Meanwhile, 600 process workers at Furnessbrook's yarnmill—part of the Courtaulds complex at Aintree, Merseyside—threatened

with closure from January 20, were yesterday demanding details of a management offer.

The company said it could see no possibility of the factory continuing in its present form, but as a significant number of employees were willing to enter the necessary commitments of co-operation, it was offering three options.

These were continuation of employment subject to the individual's commitment to co-operate—depending on sufficient numbers volunteering.

Secondly, it asked employees to volunteer for consideration for vacancies on the Courtaulds complex at Aintree. Finally to volunteer for consideration for redundancy. They were asked to indicate their choice not later than next Monday, December 13.

GREEN PAPER URGES DECENTRALISATION IN ENGLAND, BUT RULES OUT FEDERAL SYSTEM

Separate English Assembly Long, says devolution study

CORNWELL, LOBBY STAFF

PAPER on the devolution of powers to the English and Wales sets out the way that documents, published and entitled "English Dimension: A Study of the Devolution of Powers to the English and Wales", will be laid down from the Government.

The document underlines the viability of possible new forms of Government in England and Wales, and sets out the way that documents, published and entitled "English Dimension: A Study of the Devolution of Powers to the English and Wales", will be laid down from the Government.

The first main section of the Green Paper deals with the constitutional implications for England and Wales after devolution of powers to a separate English Assembly.

Above all it is at pains to reject the notion that Assemblies in Edinburgh and Cardiff will have powers over activities affecting people elsewhere in the U.K., and that the supreme authority of the Westminster Parliament will be in some way undermined.

"In relation to the matters to be devolved the new administration will inherit the executive powers that Ministers now exercise. In addition, having regard to the separate system of law in Scotland and the existence of separate institutions and policies in many of the activity areas concerned, the Scottish Assembly will have powers to legislate on most of the devolved matters," the document states.

Nor will devolution affect the supreme authority of Parliament and its ability to make laws on any subject for the whole of the U.K. "It will continue to look after a wide range of important issues in Scotland and Wales, including general industrial and economic policies and law and order, and have an overall power to intervene."

It might be argued that the Government says that the interests of equal treatment between England and Scotland

dictate that there should be an English Assembly, separate from Parliament, for business analogous to that to be devolved in Scotland.

"The Government firmly believes, however, that establishing such an Assembly for England could damage the structure of the U.K. in a way that the Assembly would not be able to repair. It would not be appropriate for Parliament to act both as the legislature for the U.K. as a whole and also as the domestic legislature for Wales and, for the present, Northern Ireland but not for England or Scotland."

In practice, if an English Assembly were established, Parliament's role would have to be restricted to a limited range of matters. Four separate assemblies would be required in the four countries of the United Kingdom, each with its own Executive, the document stresses.

This would amount in practice to a form of federation. The Government believed that a federal system would not fit the essential character of the U.K. as a union of four distinctive national components of very different sizes; and that it would not be compatible, in the particular circumstances of the United Kingdom, with the close economic unity required to meet national needs.

"England contains almost 85 per cent of the population with correspondingly overwhelming proportion of resources. No existing federation contains a partner of anything like this preponderance."

An English Assembly representing such a large population could hardly avoid becoming a rival to Parliament, particularly if the two bodies were under the control of opposing parties. And because the expenditure needs of the English Assembly

would represent such a large part of total programmes, particularly awkward relationships would exist in relation to taxation, resource allocation, regional planning and comparable issues.

For these reasons an English Assembly would carry grave risks to the continuing political and economic unity of the U.K., the preservation of which the Government regards as a firm principle underlying any proposals for devolution.

"Some people have accordingly proposed a series of regional assemblies for England. But if each of these were to be given legislative powers the cumulative constitutional and parliamentary effect would be similar to that which would result from a single English Assembly."

Moreover, setting up regional assemblies with legislative powers would mean that the legislative framework for such matters as education, health, housing, local government and land use would be largely determined at regional level, leading to possibly marked differences over short distances within England. The Government therefore rule out from further consideration the creation of an English Assembly but a series of regional assemblies with legislative powers.

Instead, the document examines other possible regional arrangements in later sections, which set out the range of formulae for changes in the English government system.



Lamming the Green Paper on the English aspect of devolution in London are (from the left) Mr. Guy Barnett, Parliamentary Under-Secretary at the Environment Department; Mr. Michael Foot, Leader of the Commons; and Mr. John Smith, Minister of State at the Privy Council Office.

Public asked to give views

THE GREEN Paper on the English aspect of devolution ends with a question, which the Government will be sending to bodies directly concerned, and which cover the broad points that need an answer:

- 1 In what fields of Government responsibility in England, if any, is it considered that the present level at which decisions are taken (Whitehall/nominated bodies/counties/districts) is wrong?
- 2 Is there a case for an English Development Agency or for English regional Development Agencies?
- 3 What are the advantages and disadvantages of: (a) no change; (b) some form of radical change; (c) some form of limited change?
- 4 Do people in England have a sense of regional identity strong enough to support regional units of Government?
- 5 What principles should determine the size of regional areas? How should the boundaries be drawn? How many regions should there be? What should be done about London and the South-East?
- 6 If regional units were set up, should their functions be only advisory and co-ordinating or should they have executive powers?
- 7 How should any such units be financed?
- 8 Would the development of regional institutions solve or reduce any national problems? If so, which?
- 9 Would substantial variation between regions in the standard of public services, and the choice of spending priorities, be acceptable?
- 10 What are the deficiencies in the present structure, boundaries and distribution of functions within local government? How might they be remedied, broadly within the present structure?
- 11 What is the degree of urgency of any changes in English arrangements which may be desirable?

Members of the public wishing to express their views on these issues or any other aspect of the matters discussed are invited to write to the Constitution Unit, Cabinet Office, Great George Street, London, SW1 3AQ.

Devolution: The English Dimension: SO, 45p.

Doubts in Wales

By Our Own Correspondent

PEOPLE IN WALES are opposed to Government proposals for devolution, an opinion poll revealed last night. The poll of 1,000 people commissioned by ETV Wales and the Western Mail, showed that 22 per cent of those questioned were "very strongly" opposed and 18 per cent "fairly strongly" opposed to the Government's plans.

Of those questioned 33 per cent were neither in favour nor against, with only 27 per cent in favour.

An overwhelming 79 per cent backed a referendum. Should a Welsh Assembly have more power than proposed in the devolution Bill?—More power, 58 per cent; 18 per cent, about right, 33 per cent; don't know, 13 per cent.

for more efficient, responsive regional rule

VS REPORTER

PAPER lists elements for new financial relations and some would argue that their power to allocate resources should extend to all services provided by local authorities within the region.

One answer would be to allot each of them a block fund to administer, but this would make the Government's task of economic management more difficult, at a national level.

The report also dwells on the problem of defining the boundaries of any new set of regions, and comments that the greater the power given the more important will be the demarcation lines between them. Historical traditions and loyalties would complicate the picture further.

It would also be desirable to achieve a reasonable balance between regions regarding size and potential. But how would the preponderance of London and the South-East region of the U.K. be dealt with?

Finally, there are the other delicate issues, such as uprooting a system of local Government which has been in existence for less than three years and perhaps confusing dangerously the average elector.

Moreover, the inclusion of health in the brief of the local authority would mean an overhaul of the structure of the National Health Service.

These funds would be voted

local government, would produce serious administrative problems.

"The creation of a dozen regional authorities with powers similar to those of the Welsh Assembly would involve thousands of additional staff and additional costs probably running into hundreds of millions of pounds."

"The more limited forms of change would not avoid the major constitutional implications associated with regional assemblies or authorities, and they would not involve the disruption and cost associated with major comprehensive reorganisation. Limited reorganisation, limited therefore to the most practicable approach to the shortcomings of local government structures, the document says."

However, such an approach carries its own dangers. It would be desirable to define as clearly as possible in advance the extent of the changes to be aimed at, and the circumstances in which particular changes would be contemplated. Without this, a great deal of the existing organisation below the level of central government could be affected by uncertainties.

Regional assemblies, more-

Regional policies

Turning to the industrial and economic implications, the Green Paper dismisses the fear that devolution will damage the interests of England and particularly its poorer regions.

It also comes down against the idea that England should have its own development agency (or several new regional development agencies) like those existing for both Scotland and Wales, but emphasises that its views are by no means final.

As far as regional policies are concerned, the document emphasises that these cannot be dealt with in isolation from other national economic policies.

"Accordingly, the Government will continue after devolution to co-ordinate a range of policies in which parts of Great Britain economic conditions and prospects justify assisted area status and what forms of relief or incentive are to be available to established or incoming employers."

All these systems of aid will remain responsible for industrial development certificate policy, which assists the steering of new projects to the assisted areas.

"At present the three main regional incentives to industry—Regional Development Grants and Regional Support Assistance (both of which are incentives to capital investment) and Regional Employment Premium (which assists with labour costs and is a continuing aid available to established firms)—are administered by departments of central government; and responsibility for their administration will remain with central Government after devolution to Scotland and Wales," it says.

Under the Green Paper points out the essential feature that there will be a block fund for each administration that will take account of both local needs and the desirability of comparable standards throughout the U.K.

These funds would be voted

Structure of Government

The Green Paper then considers the possibilities for change in the structure of Government in England, with the observation that not all of them amount to devolution, in its strict sense of a transfer of powers from a central authority.

The canvassed modifications are then considered in two groups, described as "radical" change and "limited" change.

Radical change: Into the first category fall different forms of new regional elected authorities with executive powers. Their nature and their relationship to existing authorities could vary widely, but the Government repeats its basic objection to Assemblies with legislative powers on the Scottish pattern—that they would raise intolerable problems for Parliament and the constitution.

"There remains, however, the possibility of creating a series of elected regional assemblies with the ability to exercise functions in specified fields at present carried out by the central government. If these bodies followed the pattern proposed for the Welsh Assembly the administrative policy in such matters as education, health, housing, highways, water supply local government and land use would be largely determined at regional level."

A second major possibility would involve the creation of elected regional bodies drawing their powers from local government and nominated bodies, such as the water authorities and health service authorities.

It has been argued, the report says, that there should be a dozen directly elected regional authorities which might be responsible for planning, infrastructure development, and water, sewerage, health and economic planning functions; these might be accompanied by "multi-purpose" district authorities whose responsibilities might include housing, education, social

Development agencies

The document then proceeds to lay out official thinking about the possible creation of an English Development Agency (or several Regional Agencies) to mirror those in Wales and Scotland.

"The case which is made for development agencies is that they bring together in a single cohesive organisation various forms of developmental support which would otherwise be channelled through a number of separate organisations. A comprehensive approach to industrial development and promotion is therefore greatly facilitated and, when necessary, action can be taken speedily and flexibly."

However, the functions of the Scottish and Welsh Agencies were already carried out in England by different means.

"There is no clear evidence that these could be more effectively carried out in England if merged, or that local authorities would welcome a change in present arrangements covering such matters as derelict land clearance."

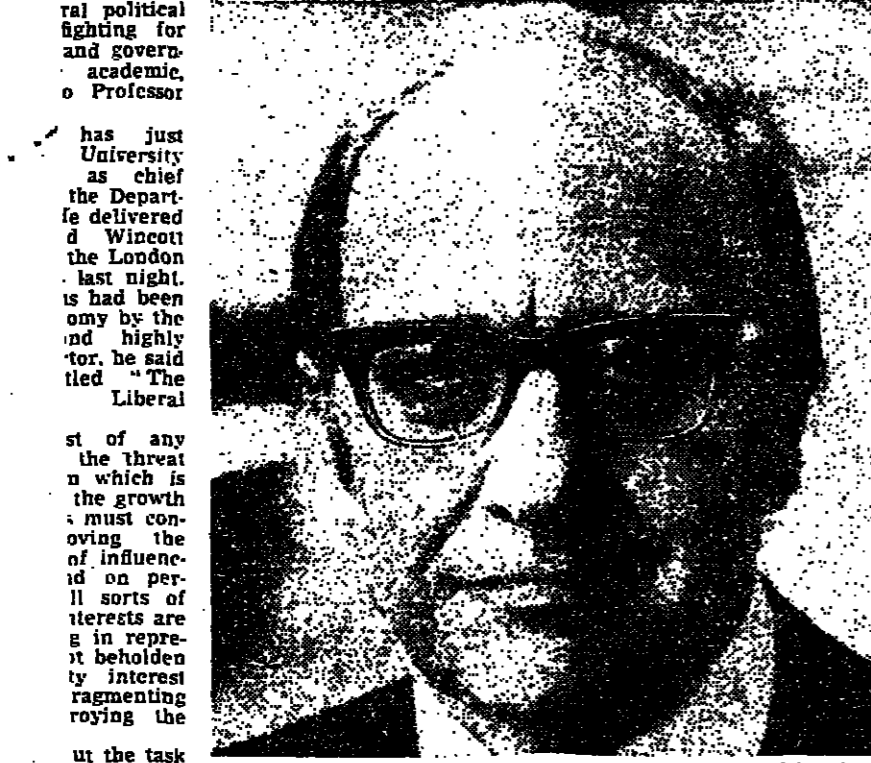
Furthermore, it is doubtful whether a single English Agency, having to co-ordinate a range of environmental and industrial functions in the differing circumstances of assisted areas which are spread from Cornwall to Northumbria, would be accepted as having the close familiarity with the problems of particular areas which is looked for from the Scottish and Welsh Agencies.

"On the other hand, if a number of regional Development Agencies were established it would be necessary to avoid the risk of wasteful competition between them to attract indus-

ALAN PEACOCK DELIVERS THE SEVENTH HAROLD WINCOTT MEMORIAL LECTURE

Campaigning for the survival of liberal economics

BY PETER RIDDELL, ECONOMICS CORRESPONDENT



Prof. Alan Peacock: the fight for survival.

He advanced two main propositions: first, that the skill and courage required to perceive and proclaim how liberal ideas applied to the operation of the economy had a high opportunity cost to professional economists; and, secondly, that the emotional sales resistance to liberal ideas was particularly virulent among those playing a crucial role in promoting Government

society is that individuals may accept the need for the restoration of incentives and the promotion of individual freedom as the ultimate goals, but make no preparation to suffer the costs of change in moving towards them.

"Thus it is quite possible that support could be enlisted for legislative changes which would eradicate coercion by simple means. However, the process by which such changes would have to be instituted and the uncertainty attached to the distribution of the burdens and benefits of change, make it reasonable for many individuals to refuse to face the risks."

Discontent

"There is perhaps a glimmer of hope for liberals in the growing discontent with the conduct of government, as reflected in the unpopularity of the long-term income prospects—including index-linked pensions—of civil servants with security of tenure, and of the disincentive effects of the present social security and income tax systems."

"It may not be evidence that voters wish to see major changes in the tasks of government, but it may show that as taxpayers they have a growing interest in seeing that these tasks are carried out more efficiently."

"We may have reached the stage in Britain at which voter pressure to change the whole system of government is mounting more easily than at any time I can remember."

"Even the relatively simple—but not minor—constitutional change to the single transferable vote offers the prospect of removing the power of the extremists in our two main parties to

coerce their colleagues into moderate action. For then there would be a strong probability that coalitions would become the governing mechanism of any government rather than government by a party with an absolute majority of seats."

Professor Peacock said many would want to go much further than that to avoid the consequences of a system by which governments bought voters' support through lavish spending programmes.

"In order to tie the interests of the working community with the need for removal of distortions caused by large-scale public intervention—which inhibit our economic advance and impair individual freedom—requires from advocates of liberal political economy that they should look closely at the genuine fears of workpeople that the labour market may work to their disadvantage."

Compatible

"The traditional liberal view on this has been to point to the advantages to the consumer of more efficient allocation of resources produced by wider competition and new deployment of labour."

"If the price of winning acceptance for dismantling restrictive practices by labour unions, while retaining collective bargaining arrangements, is more worker participation in running industry, encouragement of labour-managed firms—as Peter Jay argued in the sixth Wincott lecture—and the promotion of what Sam Brittan has called 'property rights in jobs', then I am all for experimentation in such directions."

"The real problem is how to devise systems of worker participation and control which are compatible with the survival and growth of the firm under competitive conditions."

"The tentative agenda I have put forward needs filling out. It certainly calls for a considerable adjustment in the attitudes and range of expertise of professional economists who have a genuine interest in the great issues of our day."

"There surely cannot be anything reprehensible in directing our skills towards the study of issues which those most affected by them consider important, and in trying to persuade them that a liberal solution should claim their support."

Prof. Peacock highlighted the immense distortions produced in the economy by a large, expanding and highly centralised public sector. Such distortions constrain individual initiative and therefore reduce the efficiency with which resources are used.

"The first distortion might be called 'motivation' distortion. A private firm needed an important set of skills to survive. But these skills had increasingly less to do with satisfying the needs of current and potential final consumers. An enormous amount of time and effort had to be devoted to determining how and to what degree the actions of government were likely to determine the profitability, location and even the products of business operations."

"The reputation of major firms becomes more dependent on the public activities of its directors as members of government bodies of all kinds."

"The second distortion relates to the production 'mix.' It

seems in the nature of things that large, centralised governments not directly subject to the discipline of the market generate both allocational inefficiency and production inefficiency—the wrong things produced at more than minimum average cost."

"It follows that the first two distortions imply a third one: the misallocation of factor inputs. This misallocation is worsened by government legislation which perpetuates imperfections in the labour market."

Dilemma

"The question remains why there is so little public pressure on politicians in Britain to make radical changes. A powerful reason is that the influence of the public sector is so widespread and so important financially to individual households and firms that the benefits of a reduction in its size to any given household seem uncertain."

"The diagnosis of our economic condition by the opposing groups, liberals and interventionists, is much the same, with the emphasis shifting very much more towards the inefficient use of factor inputs and away from the more simplistic views of the 1960s in which large-scale investment in physical and human capital was popularly considered both a necessary and sufficient condition for growth."

"In particular, the diagnosis points towards improving competitiveness in internationally traded goods and particularly in manufacturing. Then we reach the dividing line between liberals and interventionists. The sceptical pragmatist will argue that there is little that the free market can do to improve performance."

"Reluctantly, so the pragmatic argument continues, the only solution will be to extend selective intervention by government. Paradoxically therefore, selectivity will be the principal means of preserving rather than destroying the market economy."

"From this familiar line of argument to the understanding of the logic of specific proposals is a big jump. The rationale of those parts of the new Industrial Strategy which are not governed by political shibboleths is principally grounded in the belief that consensus can be reached in respect of both diagnosis and cure of our economic ills and action to promote the cure lies in labour-management co-operation at the industry level."

Neutralised

"The crux of the argument of the interventionists is that rigidities in both the national and international economy produced by the power of strong vested interest groups cannot be removed."

"At best they can only be neutralised by methods which will often go counter to the workings of the free market. As an erstwhile civil servant I have come to respect their views and their integrity. But I believe that they offer us a counsel of despair, notably of relation to our domestic economy."

"Moreover, I contend, that selective state intervention will proliferate across the whole of government producing precisely the result that many of them are anxious to avoid—an administered centralised so-called planned economy, and an inefficient one at that."

The Property Market

BY QUENTIN GUIRDHAM

City trend to owner-occupation: Barclays paying close to £12m.

A feature of the City of London market over the last year has been the number of companies willing to buy themselves out of future rent increases. With rates now around 70 per cent of market rents, the case for cutting one imponderable out of future accommodation costs has grown stronger, particularly with the general view that the City market was stabilising after the long decline in rental values. Few get the opportunity to buy freeholds and in most cases it has been a matter of buying in leases and at least escaping five or seven year rent reviews. Thus INA Corporation bought a 120-year lease from City of London Real Property on its new offices in Lime Street, and S. G. Wainwright bought the lease on its existing premises.

The collapse of Amalgamated Investment and Property has allowed three freeholds to go to owner occupiers. Foremost was Amalgamated House to Willis Faber and Dumas, in the well publicised £13.75m. deal, but Head Wrightson also bought its HQ's freehold and shipping group John I. Jacobs has now announced its purchase of 19, Great Winchester Street, from the AIP receiver (for whom Healey & Baker and Knight Frank & Rutley acted). Having been in two floors and 8,300 square feet of Winchester House, John I. Jacobs (for whom Michael Berman and Company act) is buying the 8,360 square

feet development nearby for the classic reasons. It represents "a good long term investment," Jacobs reckoning to have hit the market near the bottom, and a buffer against inevitable future inflation. The price of £1.83m. indicates that in some cases the vacant possession value to such occupiers is now as high or higher than investment value.

Barclays Bank comes in a different category to most such buyers and in some ways has always seemed the likely buyer for the Hongkong and Shanghai Banking Corporation's old premises at Nos. 7-12 and 15-16 Gracechurch Street. Its head office is at the end of Lombard Street and its tower block sits across the road on the corner of Fenchurch Street and Gracechurch Street. Just as the National Westminster and Midland have their own defined patches of the City, this is Barclays'.

The bank is expected to announce today that it will buy the Hong Kong offices to refurbish them as around 80,000 square feet of space in which to further centralise its City operations. The price will be close to £12m.

The Hongkong and Shanghai Banking Corporation has been refurbishing the building itself as an investment or selling in its present condition. The decision to sell may be seen as indicating that, with a special buyer for a freehold and with the post-MLR uncertainties, it is not getting any higher price for vacant possession than the present Barclays offer.

Already installed since the spring in its new 99 Bishopsgate headquarters, the Hongkong and Shanghai has thus been involved in two of the City's major property transactions of the year. It paid £32.35m for the head leasehold of No. 99, a purchase

which comes slightly outside the general trend to owner-occupation, since it was in part a corrective to an expensive lease signed when City rents had barely fallen from their peak. The letting of the 120,000 square feet which the bank and its subsidiaries do not occupy is going ahead with some of the best rents in the City being obtained.

Leeds: Qualified optimism from Weatheralls

Reporting on the market in Leeds, one of the key British cities in terms of the supply-demand balance, Weatheralls Hollis and Gale say that while the last year has been a gloomy period in the office market, the position is not desperate when the MLR rises, yields had been dropping over the year by as much as 14 or 2 per cent.

Their figures come out like this: with only two sizeable lettings during the year—totaling only 37,000 square feet—there is now 150,000 square feet of new or refurbished office space available against a figure only a third as great a year ago. There is another 200,000 square feet under construction and a further 100,000 square feet due to commence next year.

Weatheralls Hollis and Gale still maintain that "in normal market conditions this would represent a potential undersupply," their reckoning being that the average amount of offices built and let in Leeds during the past 12 years has averaged more than 200,000 square feet a year. "This is why there have been tangible signs of optimism, with new central city projects started for the first time since 1973."

The agents see the opening of the Raglan-Guardian Royal Ex-

change shopping centre in Albion Street, near Lane and Commercial Street, as the most important factor in a shift of retailing emphasis westwards. This will upgrade the west side of Albion Street and concentrate shopping to the west of Briggate. In the prime area of Commercial Street, retail levels on the front 20 feet zone have been up to £40 a square foot.

The report sees a reversal of trends in the industrial market, with interest returning from older and refurbished properties in new estates and particularly for units over 30,000 square feet. With some developers looking again for industrial sites, Weatheralls Hollis and Gale say that land prices have stabilised at £30,000 to £50,000 an acre. The overall average for new space is around £1 a square foot market, with the best estates commanding £1.25 a square foot.

In terms of investment, the agents not unduly maintain that Leeds is still the institutions' most popular northern location and report that until the MLR rises, yields had been dropping over the year by as much as 14 or 2 per cent. With offices in relatively short supply, a fact reflected by a pension fund's purchase of Merion House at an initial yield of under 4 per cent—most transactions have involved industrial property, where the prime yield was close to 8 per cent.

The next year will be a key one for the Leeds property market, particularly in the offices section where Sheffield is perhaps challenging the traditionally superior attractions of Leeds, and there will have to be a sharply increased demand if Weatheralls Hollis and Gale's statement of prime rents at £4.75 a square foot is to be borne out in major lettings. Perhaps after MEPC's preliminary results next week, we will know a little more about how a developer with a large central site feels about "potential undersupply."

OUT AND ABOUT

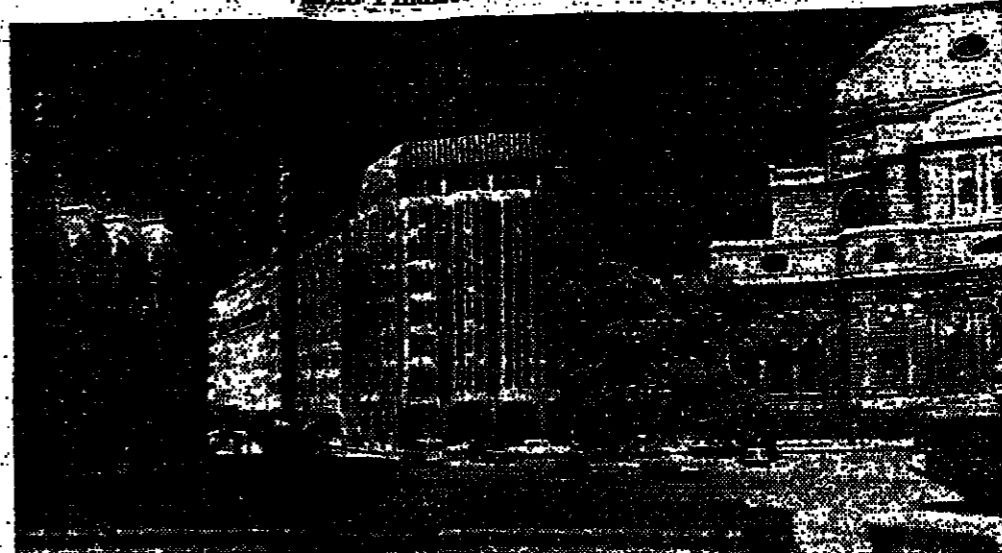
● Bryn Turner-Simples will retire from Percy Bilton, where he is managing director and deputy chairman, at the end of the year, aged 55. His departure comes as a surprise, but apparently is simply motivated by the desire to retire from business life. In the years since he left local government, he has been the man in charge of Bilton's dynamic growth as an industrial development and investment group and he leaves it with one of the strongest balance sheets among property companies.

His departure does, however, create a gap at the top of the company, into which the founder Percy Bilton, now approaching 80, will step as managing director as well as chairman. R. J. Woolacott, a long-serving director and Alan Smith, development director, have been appointed assistants to him.

● The former Holy Trinity Church in Finchley Road, London, N.W.3, has been demolished and is to be replaced with a smaller church, a separate block of 24 flats and a 10,000-square foot office block with two penthouses above. The development is being carried out by the Hill Group of Wembley who have been given a long lease on the site by the Church Commissioners.

● At the Church Commissioners' industrial estate at Fifer Lane, Norwich, 13 units have been let within a year and agents, Chestertons, with Percy Hovess and Co., report a serious inquiry for the remaining two. Rents are around 80p per square foot on standard units whose tenants include British Electrical Repairs, All-thread Distributors, Security Express, Littlewoods and Courts Furnishers. Two pre-lettings have been a 17,500 square foot warehouse for Courages and a bank unit by the entrance of the estate for Barclays.

● Crouzet, U.K. subsidiary of the French electrical, electronic and aeronautic group, has centralised its British administration and production in the building for-



Due for completion in March, 1978, this is the model of the new British headquarters being built for the National Iranian Oil Company. The site, at the bottom of Victoria Street, London, used to be called Abbey House, with to the right the Central Hall, Westminster, and to the left the corner of the Abbey's buildings. The contract is

being managed by the Crown Agents and main contractors are Higgs and Hill Building. Overall contract value is around £7.5m., about the sum for which Capital and Counties sold the site to National Iranian Oil last year. The building will have retail space including a Barclays branch on the ground floor and around 120,000 sq. ft. of offices above.

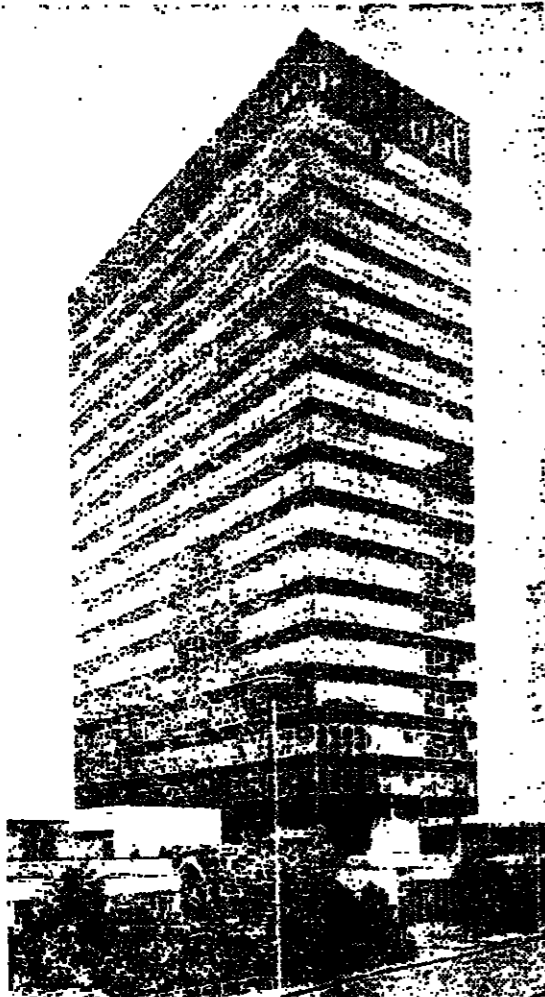
merly occupied by Gillette warehousing, at Eastman Way, there, with a total of 300,000 sq. ft. of units, is being redeveloped for the M3. There are Engineering Laboratory Equipment built to order. ● Percy Bilton has let 32,000 square feet of warehouse and offices to a transport group at Towns Commission. The project Cadwell Lane, Hitchin. Quoting has been pre-sold to Hambro Life rent was around £1 a square foot and the agreed rent and Chamberlain and Willows acted for Bilton.

● English Property Corporation has let 21,000 square feet of offices in its Aberfan Centre shopping scheme in Port Talbot to the FSA. The total of offices in the building, Aberfan House, is nearly 27,000 square feet. ● The final stage of the 400,000 sq. ft. development by is nearly 27,000 square feet. ● The same developer letting agents on the centre has the first stage of its Lady-down Industrial Estate, Trowbridge, occupied, with units sold to Bonker McConnell and Wiltshire Electrical and let to Fitch Lovell and Chappin. Building for over £270,000. Letting agents were Johns and Co.

● Hunting Gate Group has exchanged agreements for building a 15,000-square foot office block and 40,000 square feet of

INDUSTRIAL AND BUSINESS PROPERTY

St Alphage House 2 Fore Street London Wall London EC2



Fully fitted offices to be let

6,050 sq ft-36,300 sq ft

Debenham Tewson & Chinnocks

Chartered Surveyors
Bangor House Paternoster Square
London EC4R 4ET
01-236 1520 Telex 883749

Frankfurt Hamburg Bahrain
Dubai Toronto New York
Sydney

OFFICE OPPORTUNITIES

GLAPHAM S.W.4. 42,670 sq ft
Superb Freehold headquarters building.

EDINBURGH 38,000 sq ft
Complete Georgian restoration.

ILFORD 13,000 sq ft
Prestige building, centrally heated.

HANOVER SQ. W.1 48,750 sq ft
New air conditioned building.

SOUTHAMPTON 4,500 sq ft
Elegantly refurbished throughout.

CITY OF LONDON 37,000 sq ft
New air conditioned building.

LEICESTER SQ. W.G.2 67,000 sq ft
Completely renovated throughout.

CAMBRIDGE 47,000 sq ft
Town centre location.

SLOUGH 3,510 sq ft
Excellent new suite.

FARNBOROUGH, Hants 47,000 sq ft
Impressive air conditioned buildings.

Healey & Baker
Established 1820 in London
29 St. George Street, Hanover Square,
London W1A 3BG 01-629 9292
118 Old Broad Street, London EC2N 1AR
Telephone 01-628 4361

ERITH KENT EUROTRADE DISTRIBUTION CENTRE

New warehouse/factory units from 5,000 to 108,000 sq ft

TO LET

Leonard Green & Co 01-248 6047

James Lewis & Co 01-242 8737

Idris Jones & Partners 01-222 2636

WAREHOUSE/FACILITY AND OFFICE PREMISES FOR SALE

FREEHOLD OR RENT
PARK ROYAL ROAD, ACTON
TOTAL AREA ABOUT 34,400 SQ. FT.
Close Western Avenue, A40 and North Circular Road, A406
In whole or partitions of about 5,000 sq. ft.
Warehouse units about £125 sq. ft. Office units about £150 sq. ft. plus rates.
Ceiling about 14 ft., will be fully reconditioned.
Write Box F.400, Financial Times, 10, Cannon Street, EC4R 4ET.

FACTORIES & WAREHOUSES

BOURNEMOUTH, HANTS
Factory, Office, Laboratories 3,500 sq. ft.
FOR SALE FREEHOLD

CANTERBURY, Kent
New Warehouse Unit 5,000 sq. ft.
TO LET

EAST-SUSSEX
New Warehouse/Factory Units from 4,000 sq. ft.
TO LET

LONDON, S.W.2.
Adlard's Garage Premises 17,000 sq. ft.
FOR SALE FREEHOLD

MALDON, Essex
Modern Industrial Premises with high Office content
9,134 sq. ft. FOR SALE or TO LET

SEVENOAKS, Kent
Showroom, Garage & Workshop 10,400 sq. ft. on 0.6 acre
FOR SALE FREEHOLD

WEEDON, Northants
New Warehouse/Factory 68,125 sq. ft.
(can be divided into units from 23,000 sq. ft.)
IMMEDIATELY AVAILABLE — TO LET

WEMBLEY, Middx.
Modern Warehouse/Offices 20,514 sq. ft.
TO LET — New Lease

King & Co

Chartered Surveyors
1 Snow Hill London EC1
Tel: 01-236 3000 Telex 885485
Manchester Leeds Brussels

EC1 40,000 sq ft

modernised building previously used as OFFICES

with ancillary industrial accommodation
All amenities

To be let at only £3.00 per sq ft p.a.x.

Debenham Tewson & Chinnocks

Chartered Surveyors
Bangor House Paternoster Square
London EC4R 4ET
01-236 1520 Telex 883749

Frankfurt Hamburg Bahrain
Dubai Toronto New York Sydney

MODERN OFFICES

To Let on 2 Floors
13,000 sq. ft. over
Tube Stn. at Archway, N19.

CONRAD RITBLAT & CO

Sole Surveyors
Consultant Surveyors & Valuers Telephone 01-636 6498
Mintons House, 14 Manchester Square, London W1

East Cross Route

Old Ford Road, London E3

Exceptional factory, offices and warehouse.

146,000 sq. ft. To Let

Chamberlain & Willows

FULLER PEISER

24 Holborn Circus
London EC1A 3BS
Tel: 01-236 3000

FOR SALE MODERN OFFICE BLOCK

LEEDS-HORSFORTH

Fully let to Public Company on fully repairing and insuring lease.

INVESTMENT TO YIELD 10% AT PURCHASE PRICE OF £190,000

This property would be of particular interest to small investment trusts.

For full details apply:
London & Leeds Developments Limited
Lovell House, 118 North Street, Leeds LS2 7PR.
Tel. 0532-41375/6/7/8

WAREHOUSE

43,970 SQ. FT.

HIGH WYCOMBE

£1 p.s.f.

01-836 3444 or High Wycombe (0494) 21234

(Ref: AWE) (Ref: DWR)

TO LET STRATFORD HIGH ST. E.15

MODERN WAREHOUSE FACTORY UNITS
10,720 sq ft - 18,730 sq ft - 24,810 sq ft

● HIGH OFFICE CONTENT ● GOOD YARD FACILITIES
● HEATING & LIGHTING ● ALL MAINS SERVICES

King & Co

Chartered Surveyors
1 Snow Hill London EC1
Tel: 01-236 3000

MICHAEL KALMAR & Co
Bridge House,
Queen Victoria Street,
London EC4V 4EX.
Tel. No: 01-236 6871

CITY INDUSTRIAL PROPERTIES

OLD STREET, EC1
TO LET 8,000/20,000 sq. ft.

Scale agents

CURTAIN ROAD, EC2
TO LET/FREEHOLD FOR SALE 11,250 sq. ft.

Joint sale agents HEBB & BAKER

Healey & Baker
29 St. George Street, Hanover Square,
London W1A 3BG
Telephone 01-629 9292

READING
Freehold Modern
OFFICE/SHOP
INVESTMENT
(vacant possession of offices if required)
Rental Value £17,500 p.a.
FOR SALE
£130,000 or near offer

Nicholas

147 FRIAR STREET
READING (RG5 1L)

دولت ١٠٠٠

Devolution muddle

YESTERDAY'S GREEN Paper about the English "dimension" of devolution is an exceedingly odd document. It begins by stating that the Government always intended its review of administrative arrangements in the U.K. to cover England as well as Scotland and Wales. It goes on to say that at this stage the Government is not advocating any specific course of action in England, but follows this up promptly with the declaration that "the Government firmly believes, however, that establishing such an assembly for England could damage the structure of the United Kingdom in ways which the creation of a Scottish Assembly would not." After some discussion of alternatives, it comes to the conclusion that "limited reform of local government might therefore be the most practicable approach to the shortcomings of local government structure."

But since local government has been thoroughly reorganised, however badly—like the Health Service, the police, and the water supply industry—so recently, that the effects (including the effects on local expenditure) have not yet been fully absorbed, there is a case for leaving well alone for at least some time to come. The Green Paper makes this point, and ends up with a series of extremely general questions on which members of the public are invited to express their views.

Green Paper

One cannot help being puzzled about the reasons for the publication of so vague a document at this particular time, and is tempted to believe that they are mainly political. Although the Government has been forced by the state of Scottish opinion and the risk to Scottish Labour MPs to put forward proposals for limited devolution, it cannot be altogether blind to the risk that the Nationalists, having obtained a first instalment of the independence they want, will go on to press for more. A considerable part of yesterday's Green Paper is devoted to spelling out the reasoning behind the Government's proposals for Scotland and Wales and emphasising that overriding powers will remain with Parliament.

Similarly, the latest issue of Economic Trends contains a fuller breakdown than in the past of national income statistics for various regions of the U.K. — which shows, for example, that in 1974 (the latest year for which figures are available) gross domestic product per head amounted to £1,104 in Wales and £1,229 in Scotland against £1,350 for England and £1,534 for the South-East. Such figures will undoubtedly be used in arguments about the extent to which one part of the country is subsidising another.

The Green Paper and the new statistics happen to have been published, however, at a time when the difference of opinion within the Conservative Party about the issue have come out into the open. The shadow Secretary for Scotland and another front-bench spokesman on Scottish affairs have resigned, and others have been persuaded not to do so on the understanding that they will be allowed to vote as they please.

Possible failure

Some such occurrence became almost inevitable once the Conservative leadership decided to oppose the Bill on its second reading, despite the fact that many Scottish Conservatives (and some others, including Mr. Heath) were either themselves in favour of devolution or feared that such an action would be interpreted in Scotland to mean that the Conservative Party was opposed to devolution—with potentially disastrous political results. But one of its effects may be to make a complex political situation more complex still, once the Committee stage of the Bill is reached. Now that it is clear that a number of Conservatives will either vote for the Bill or abstain, the considerably larger number of Labour MPs who are opposed to devolution may feel themselves at greater liberty to vote according to their convictions. In that case, the Bill—at least in its present form—might fail.

Democracy on test in Portugal

THE closing days of Portugal's crucial local election campaign have been marred by bombings and clashes between police and Left-wingers. Although the identity of those who disrupted Lisbon's water supply yesterday is still unknown, their aim was clearly to undermine claims by Sr. Mario Soares, the Prime Minister, that his minority Socialist Government is the only one capable of ensuring stability. In most democracies electoral violence is counter-productive, and there is no reason to suppose that the incidents of the last few days will cost Sr. Soares votes on Sunday. If his support diminishes, as it almost certainly will, it will be for much more deep-seated economic and political reasons.

Unemployment

Sr. Soares has long known that the fate of his minority Government hinges on the outcome of Sunday's poll, even if its formal purpose is only to elect municipal officials. He has also long been fully aware that the vote would come at an extremely bad moment for his party, only 4½ months after his installation as Prime Minister. While it is still too early to judge the success of his efforts to get the country back on the rails by a combination of discipline and economic austerity, the unpopular effects of his policies have already been widely felt. Unemployment is still running at 15 per cent., inflation at 35 per cent., and the country's massive trade deficit still widening.

The Communists, who have launched a full-scale attack on the Government in the factories and in the farmlands of the Southern Alentejo region, are widely expected to make considerable inroads. The Government has taken the risk of appearing to break campaign regulations by warning farmers not to support the Communist-backed Rural Workers' Union in the Alentejo, and has tried

WHEN A MINER in Mansfield goes into the pit, yard polling booth to mark his union ballot paper, the politician in Westminster holds his breath. Parliamentary by-elections, like the four just witnessed, may set the political adrenalin flowing for what they spell in terms of House of Commons majorities and General Election prospects; but a miners' ballot, like the one which closed last night, on the subject of early retirement, may decide whether a government can continue to govern at all.

Whether or not they enjoy the sensation, miners are well aware that ever since the 1972 national strike, their voting decisions have important political consequences. The question this time is not so much what the result will be—soundings from many areas suggest the miners will authorise their National Executive to call industrial action in pursuit of their early retirement claim—but how the executive will make use of that decision.

Labour politicians should be nervous not because all 280,000 miners want to see the Government fall—they don't—but because negotiations between the National Union of Mineworkers and the National Coal Board have a habit of going awry. Once the miners have said "yes" at the pithead to industrial action and their blood is up, it is that much harder for their union to negotiate back from the brink.

In spite of the confidence of "moderates" in the union that the tactical plan—designed to bring something extra out of the Coal Board before the NUM entitles them up to State retirement age—is well under control, there has already come a chill warning from the Left in the person of Mr. Mick McGahey, vice-president of the union, that the Coal Board is bungling things as it did before the 1972 and 1974 national strikes.

Starting on Wednesday, and ending last night, miners had to answer one question: "Are you in favour of rejecting the Board's offer and giving authority to the National Executive Committee to call industrial action if necessary?"

What matters when the result is declared early next week is how big that "yes" vote will be (assuming the predictions are right). Mr. Joe Gormley, the NUM president, has already made it clear he will be back at the Coal Board asking for more whatever the result. But a big "yes" vote—say 70 per cent. compared with the 55 per cent. needed for a binding decision—will strengthen the determination of the Left-wing of the union leadership not to let Mr. Gormley and the Coal Board—or as they see it, the Government—get away with a



Sam Hadfield started mining in Yorkshire at 14. Now 61; he has worked underground at the Snowdown pit, Kent, for 42 years.

compromise to save the social contract.

The miners have asked for their retirement age to be lowered from 65 to 60 from the end of the month, and by half-year steps down to 55 years by the middle of 1980. They want "make-up pay" ensuring no loss of income or concessionary fuel entitlement up to State retirement age. The political sting in the claim is not the cost—although that would be large—but the fact that the only way the first part of the claim could be met within the present pay policy is for the cash value of early retirement to be deducted from the 5 per cent. earnings rise for which the miners fall due in March. And the NUM is not interested in that escape route for the Coal Board.

In reply, the Board has proposed a voluntary scheme, which would start when the present or any subsequent pay policy allowed. Men with 25 years underground work behind them could opt to retire at 64 in the first year of the scheme, 63 in the second and 62 in the third, says the Board.

This offer has been around since June, and it was the Board's failure to add to its offer when formal negotiations opened two weeks ago (they had, they said, put everything on the table from the start) that led the NUM to its unexpected sudden and unanimous decision to launch the ballot.

It would be foolish at this stage to bet on the eventual outcome of resumed negotiations, however: 2 of the signs for a peaceful settlement may be. After all, both the national pit strikes this decade grew out of overtime bans — the sanction favoured by many miners this time.

In weighing the odds, a distinction must be drawn between what individual miners mean by their ballot votes and what the opposing political factions on the National Executive will make of the crude sum of those individual decisions.

Traditionally moderate

In this ballot, the area to watch is Nottinghamshire, the largest after Yorkshire, of the NUM's 21 semi-autonomous constituencies. It was Nottinghamshire, the traditionally moderate area, which decided to make early retirement the big issue for 1976—partly, it may be said, to head off a Left-wing campaign for a pay rise that would have torpedoed the pay policy. But few of the area delegates who in February approved the main Nottinghamshire resolution for the union's annual conference in the Isle of Man realised at the time that they were themselves setting a slow fuse under the social contract.

It has put Mr. Len Clarke,

Nottingham area president and a leading light of the Right-wing faction on the National Executive, in something of a spot. He cannot renege on his own area's resolution without losing credibility, but the resolution, as written, cuts right across the social contract to which he has committed himself.

Of course the Communists on the Executive—including the Nottingham financial secretary, Mr. Joe Whelan—who have attacked the social contract from the start ("social contract" is what they call it) can scarcely contain their glee at the way the tables have been turned. "Hold your own petard," is how Mr. Whelan put it this week.

Among Nottinghamshire's rank-and-file miners there are few doubts that a big majority in favour of the Executive's stand will have been delivered last night. None doubts the validity of the claim. As one young miner, himself suffering from premature arthritis, said: "It's really terrible to see men crawling to work, stopping every hundred yards to get their breath. They should have been retired years ago." He is one of 1,600 men at Mansfield Colliery, a large, productive and relatively peaceful pit on the edge of the town, which voted yesterday. The colliery's branch secretary, Joe Johnson, thinks support for the National Executive

will be overwhelming—and he holds no brief on most issues for the NUM's political Left.

"I don't think the membership really supports the resolution as it stands," he said. "Most think early retirement should be phased in." This conciliatory view is shared by other Mansfield miners who see their area demand as an opening bid in negotiations, not a chance to smash the social contract. But as Mr. Johnson said: "If the NCB don't improve the offer there will be industrial action—and I think any Government should be frightened if miners take their jackets off and say, 'Right, this is it!'"

Mansfield miners clearly believe the time for early retirement has come—whether it be next month or at the end of the present pay policy next August. Apart from purely compassionate reasons, they say that Britain's entry into the Common Market four years ago should have brought them at least the early retirement options enjoyed by their European colleagues.

They know, too, that the steelworkers belonging to the Iron and Steel Trades Confederation and to the National Union of Blastfurnacemen have lodged early retirement claims; and they find it invidious that civil servants, policemen and firemen can leave at 60. One 64-year-old who has worked for 47 years

underground blamed the union for not making a stand earlier. Mr. Johnson's explanation is that there has never been a time since the days of the private coal companies when the union could afford to become deflected from the battle first for redundancy protection during the Robens run-down and then for wage rises under successive incomes policies.

The final strand of the argument is that early retirement will provide many more jobs for the young at a time of record unemployment. The average age of Mansfield Colliery's faceworkers is 47; and according to "Lol" Foster, the branch president, there are about 100 men who ought to be retired now because of poor health. But jobs on the surface are scarce for these men.

In some pits, it is said, managers will bend the rules to help a sick man by declaring his job redundant, and making him eligible for the miners' redundancy scheme which gives a lump sum plus 90 per cent. of take-home pay for three years. But for the majority, arthritis, rheumatism, injury or dust in the lungs (a condition which mining machinery has actually aggravated) means choosing between retiring sick on a small weekly pension or struggling on to sustain the family income level.

Miners find the employment opportunity argument attractive. The Coal Board thinks it could be disastrous. It says that to meet the NUM claim would mean the loss of 20,000 jobs next year, and 50,000—or a third of the present workforce—by 1980. To replace those men, and counter natural wastage, would mean recruiting over 150,000 men in the next three and a-half years.

The miners' answer to that, of course, is that the Board should raise the top wage to £100 a week—the NUM's latest target—or even to £200 a week. Certainly at present, few miners want to see their sons follow them into the industry.

In a sense, the Mansfield miners' arguments have already been heard, and the principle of the claim conceded. The Coal Board has put forward concrete proposals, and the Government is sympathetic. But the argument will not be over until the National Executive has settled its own political battle and the "moderates" with their slight voting majority over the five Communist and six Labour Left members, have fought their way out of a corner. At the beginning the Left-wing may have doubted the viability of the retirement age claim. But with the prospect of a big vote for industrial action from the coalfields, they now see it as possibly the beginning of the end of the social contract.

MEN AND MATTERS

The State copycats

SPD, Unilever's transport consortium subsidiary, is feeling more than a little aggrieved about its State-owned rival National Carriers. The basic trouble is that good, new ideas in road haulage are both rare and unpatentable.

SPD has come up with quite a number of "specialist services" in the last ten years. Tibbett and Britten, half-owned by SPD, started a hanging garments service seven years ago, designed to take the crease out of clothing transport. Five years later (too late to make much impact according to SPD) National Carriers, which is part of the National Freight Corporation, came up with Fashionflow, designed to meet the same customer requirements.

Yesterday the whole process was repeated, in a rather speeded up fashion, when, just over a year after SPD launched its Carrycare pottery and glassware transport service, NCL announced its new pottery carrying service: Chinastow. Opinions differ on whether there is room for two in a £2m. market, which Carrycare has already developed to a marginally profitable level.

The big fear at Carrycare is a bout of price-cutting, but pride was hurt too when the company's managers heard that NCL had decided after many years traditional parcels-type service to the industry, that a specialist, trading operation, the basis of the Carrycare system, was called for.

Interestingly enough, Sir Daniel Pettit, chairman of NCL is a former SPD chairman, and the man who recently took over as managing director of Tibbett and Britten is Alan Richards, who a couple of years ago was responsible for getting Fashionflow on the road when he was assistant managing director at National Carriers.



Page, staying behind

While Jimmy Gulliver continues his travels through the food industry (he is now leaving RCA-owned Oriel Foods) and his colleagues Alistair Grant and David Webster are set to follow, not all his influence will be lost at the company he built up. For his successor, John Page, admits to having made his first approach to Oriel because he was attracted to the Gulliver style.

He takes over as president and chief executive (RCA say they prefer American to British titles so there will no longer be a chairman and managing director) after only two years with the company. He is 31 and has the almost obligatory qualification of having been to Harvard

Business School, having previously graduated from Manchester University. In between he began his business life making Milky Ways for Mars at Slough and then went on to become a consultant.

One of Page's first jobs with Oriel is going to be filling the management gap that will appear when Grant and Webster leave after a transitional period expected to be not longer than three months. He is relying on the large majority of the rest of the present management throughout the group staying with him and intends to visit each section to urge them to do so. He will tell them that the need fear no sudden switch in the way the company is run. "I think you will find," Page says, "that my style will be pretty much the same."

Hard life

There was, oddly, something of a night clubbish air for any latecomer to one event being held yesterday in London. In a darkened ballroom adjoining a West End restaurant, a single spotlight picked out a bespectacled American who was wisecracking away to the delight of his chattering audience.

But a couple of things quickly dispelled any show biz vibrations. On a large screen was one of those irritatingly simplistic slides beloved by marketing men which show a handful of words and a percentage sign or two; and the wisecracker was getting his laughs with a tale on the lines of "So you ask the chairman why he won't talk to the FT anymore, and he says because of this morning's article, and you say but it was correct, profits are down..."

The occasion was the presentation of the results of a survey on public relations, and the tenor of the occasion seemed to

be the old one of why can't people learn to love us? The survey, carried out by a PR firm (who else?) among 500 top companies, concluded that 67 per cent. of PRs thought they had only a marginal or minimal as against a significant impact on corporate policy; and only 45 per cent. felt that top management had a grasp of what "effective public relations can really accomplish."

Sounds a hard life, but the results did show that in-house PRs are reasonably rewarded. Of those questioned, 23 per cent. earned more than £10,000 a year. But the audience was clearly nettled by the thought that the world at large would in future think of PRs as wealthy.

One PR man went as far as suggesting that publication of the survey itself was liable to damage the image of the job. Problems, problems. And one of the biggest, according to the jokes speaker—Bob Leaf, head of the international side of the Burston-Marsteller firm—was that expression "public relations," the very mention of which tended, in his view, to turn many managements grey at the gills.

Things were better in the States, said Leaf, where PRs stood more chance of making it on to the Board. Perhaps the lesson is being learned here too: seven of the PR persons surveyed now call themselves head of communications, and four have the modish title of director of public affairs.

Classical

Under a "Make Love, Not War" slogan near Victoria Station, someone has added "Amo, Amas, Amat it again."

Unmistakable

Golden Ellipse and 18 ct. blue coloured gold. They invariably identify Patek Philippe designs. They tell you that the watch was finished entirely by hand, in the manner practised by Patek Philippe since 1839. The Golden Ellipse was derived by Patek Philippe from the Golden Section, the principle which already inspired the design of the Parthenon. The blue coloured gold of the dial is a bit of alchemy signed Patek Philippe.

Men's model (Ref. 3748). Matching cufflinks also featuring Golden Ellipse and 18 ct. blue coloured gold.

PATEK PHILIPPE
Ennobled by the craftsman's touch

Catalogue and list of jewellers from Patek Philippe. Customer Service P.O. Box 35, Maidenhead, Berks SL6 3BQ.

Observer

APR 11 1975

behind
d ball

UNITED ARAB EMIRATES Sharjah

One of the seven states in the United Arab Emirates, Sharjah is undergoing an explosive economic boom, stimulated both by the prosperity of the Federation and by the Emirate's oil revenue. Its pragmatic approach to development should soon show dividends.

g-term
perity

S Buxton

Arab Emirates is the most remarkable of the world's small states. It is a federation of seven different sizes, each ruled by a different dynasty, which has been a source of strength and stability for generations. On three enclaves on the eastern coast of the UAE, only recently connected to the capital, Sharjah, by tarmac road. The State arrived but has a population of perhaps 100,000, of whom probably 25,000-30,000 are native Sharjahis, who must (a relatively high proportion of the population) be of Arab descent. The rest are Indian sub-continenters, who have now with about 10,000 European expatriates as well.

Services

Sharjah is trying to take advantage both of its modest oil income and the general prosperity of the federation to build up a State which will be able to offer services not easily available elsewhere in the federation, and so create an economy which should be able to survive when the terms of oil trade alter and oil states like the UAE have to rely on more than just the sale of crude. The development of Sharjah began with the former Ruler Sheikh Sultan bin Mohammed al-Qasbi, who was assassinated in a palace coup early in 1972.

and has been considerably speeded up under Sheikh Sultan, who succeeded him.

Despite the careful planning that is going on, Sharjah has all the appearance of a boom town enjoying headlong growth. It is probably the fastest growing State in the Gulf despite having the smallest oil revenue, and whole districts of the town of Sharjah are being erected simultaneously. The economic boom is fed by the wealth of the UAE and assisted by the attractions Sharjah offers to outside capital. At present it is feeding on itself exponentially: the thousands of construction workers themselves demand goods and services, while construction boosts whole industries in such fields as selling concrete, steel, furniture, electrical equipment, household goods and luxuries and in heavier goods such as cables and pipes. Property turns over at a furious rate and immense capital gains are made on the way.

Superficially Sharjah might be thought to be following the competitive pattern in the UAE by which each Emirate tries to rival its neighbours by matching one infrastructural project with another, giving little thought to commercial viability. Sharjah is near to completing the UAE's finest airport only half an hour's drive from another airport at Dubai, bring-



The Ruler of Sharjah, Sheikh Sultan bin Mohammed al-Qasbi.

ing to four the total number of is building new berths. With so many people dependent on international airports in the UAE, it is also building two more on an inverted pyramid of ports, the first of which has growth, any serious reverse in already started operations on a the UAE's economic fortunes expected to stand on their own almost every State in the UAE tion industry hard but shatter

much of the business stimulated by it. The whole federation faces this threat, which causes concern among those who manage its monetary affairs. But while the present trend continues there is an undeniable need for more facilities like ports and airports, since all the existing facilities (except for Ras al Khaimah's new airport) are congested.

But Sharjah is seeking a more solid economic base than that. Although its development is planned in the context of the UAE (in so far as that is possible in the absence of any effective federal planning) it is also designed with an eye to the Arabian peninsula in general. The strategy is based on two pillars: a hard-headed belief in untrammelled free enterprise and a concentration on the most economical use of the Emirate's own assets.

Most of Sharjah's infrastructural projects, including the ports and airport, are intended to be profitable, and Western management is operating them from the start. Private business attracted to the State is assisted in establishing itself but will benefit from few of the subsidies, hidden or otherwise, which are provided in many other oil states. Businesses which come to Sharjah will be expected to stand on their own feet and make a substantial

contribution to the Emirate's economy.

The Government has concluded that, while the Emirate's assets include its geographical position with two coastlines, its relatively large indigenous population and the UAE's highest proportion of graduates, as well as attractive beaches and scenery, its deficiencies include a relatively low total population and a shortage of skilled labour and middle management. Nor is there a major income from oil. The Emirate has therefore decided to avoid labour-intensive projects and, in the words of the ruler's American economic advisor, "concentrate on doing a few things very well."

In a few years' time Sharjah may well be providing the UAE and the whole Arabian peninsula with one of its major freight handling systems, a competitive financial centre, some productive industries and a successful tourist industry.

Alluring

If this happens much of the credit will go to Sheikh Sultan, partly because of the projects which he has initiated himself and partly because of the atmosphere alluring to business created by his welcome to outside capital. As a graduate in engineering from the College of Agriculture at the University of Cairo he is the best educated ruler in the UAE and speaks English, Farsi and Urdu in addition to Arabic.

Sheikh Sultan has long been convinced that the federal experiment is a viable one and has done much to help it. Last year Sharjah was the first Emirate to haul down its flag and adopt instead the federal one. He also handed over Sharjah's militia, police and courts to the federation and reputedly saved himself Dh.50m. a year while getting a substantial reward from Sheikh Zaid for doing so. With the more recent moves towards closer federal unity the

Ruler's prestige in the UAE could rise, since he is to chair a committee to analyse and perhaps reduce the federal budget before the rate of individual contributions to it by each Emirate is fixed.

The Ruler is anxious to prevent the spread of the large and inefficient bureaucracy which has been developed by Arab expatriates in Abu Dhabi, since this clashes with his own concept of a lean efficient administration. Any Emir has his own position to protect, and though Sharjah's development is to an extent underwritten by its close relationship with Sheikh Zaid it relies on its oil income to give it a measure of independence. In the context of the UAE Sharjah's oil operation yields such small rewards, because of a revenue-sharing formula with Iran and the difficult working conditions, as to be of very marginal value; but to Sharjah itself it is of great financial and symbolic importance.

In the long run it is likely that the inter-Emirate differences which now loom fairly large will become less significant. Dubai's claim to a strip of land on the edge of Sharjah, which could affect a 4 km. wide corridor out to sea in which an oil-bearing structure is believed to be located, is on the way to being settled but there are other elements of competition between the two Emirates. But it is often forgotten that there is great intermingling of Sharjahis and Dubais in business in both towns, and one Sharjah businessman says that the commercial communities on both sides would prevent their rulers coming to blows. Much of the money flowing into Sharjah comes from Dubai and other Emirates, though the Ruler is careful to make sure that his own subjects benefit first — indeed he finds it difficult to refuse them. If it maintains its present rate of growth Sharjah could be the latest Emirates' success story.

INTRODUCING SHARJAH. LITTLE-KNOWN PLACE WITH SOME OLD-FASHIONED IDEAS ABOUT BUSINESS

to imagine a site for your Middle East operations that has a free zone economy, a strong currency, minimal governmental regulation and a political environment.

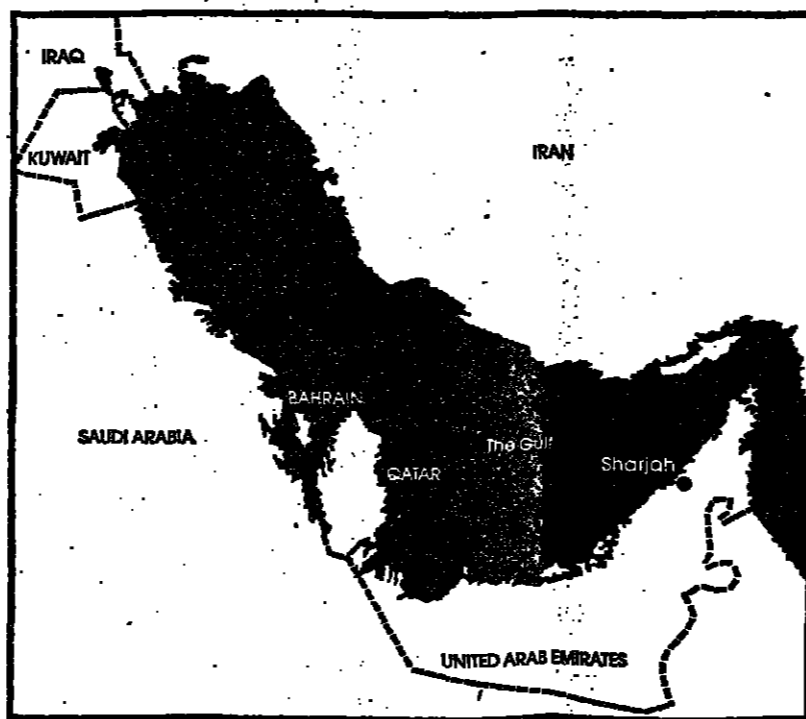
Imagine further that this place has no exchange controls and only minimal tariffs.

Imagine that it is an international transportation and communications center, a new professionally managed port, an international airport, more than two

dozen major banks, and virtually unlimited land available for development.

Now imagine, if you can, that this place has no income tax, no sales tax, no property tax, no value-added tax, no capital-gains tax and no estate tax.

Imagine that it has low labour costs and no labour unions.



And imagine that this multi-national business center would really welcome your firm.

There is such a place.

It's the Emirate of Sharjah.

Sharjah may not yet be as well-known as some other Gulf ports—but it's likely to become so rather quickly.

Many major multinational corporations have already been drawn to Sharjah

by its special incentives for corporate headquarters, by its inter-modal transportation system, by its strategic location for warehousing and distribution, and by its free counselling designed to help businessmen succeed.

Financial institutions have been attracted by Sharjah's new financial center, by its sophisticated corporate law, and by its tax-free status.

Executives and their families enjoy living in Sharjah because of its pleasing climate, its excellent recreational facilities, and its internationally accredited thirteen grade English-speaking school.

Sharjah is now the fastest growing state in the Middle East. If you'd like to find out why, contact Dr. Bart A. Paff, Advisor to the Ruler, Box 211, Sharjah, United Arab Emirates. Telex 8015 CRESPT SH, or telephone 22801.

Sharjah isn't too good to be true. It only sounds that way.



THE EMIRATE OF SHARJAH

SHARJAH II

Business in Sharjah?

Talk to the international bank with local experience

If you're doing business in Sharjah, the Bank of Credit and Commerce International has inside knowledge of local markets and trading conditions and this is available to you through our local branch:

P.O. Box 713, Sharjah, United Arab Emirates. Tel: 23883/23886
Branches also in Abu Dhabi, Ajman, Dubai, Fujairah, Ras Al-Khaimah and Umm Al-Quwain.

You can also utilise our specialist expertise in the following countries:

BANGLADESH · CAYMAN IS. · FRANCE · EGYPT
HONG KONG · INDONESIA · IRAN · JORDAN · KENYA
KUWAIT · LEBANON · LUXEMBOURG · MAURITIUS
MOROCCO · NIGERIA · NORTH YEMEN · SEYCHELLES
SUDAN · TUNISIA · UNITED ARAB EMIRATES
UNITED KINGDOM · WEST GERMANY



Bank of Credit and Commerce International
100 Leadenhall Street London EC3A 3AD
Tel: 01-283 8566 Telex: 886500 & 8811573



National Plastic & Building Material Industries

Manufacturers & Importers

PIPE

FITTINGS

HOSE

CONDUIT

DRIP IRRIGATION SYSTEMS
INTERIOR DECORATION
MATERIALS

PROFILE

P.O. Box 1943, Sharjah.
Tel: 25490 Cables: PLASPIPE Telex: 5558 A/B MEET

بنك الشارقة الوطني

NATIONAL BANK OF SHARJAH



The bank is founded by the Government of the
Emirate of Sharjah along with several
prominent traders and businessmen of Sharjah.

Associated Banks

Hambros Bank Limited—London

Credit Suisse—Switzerland

The Mitsui Bank Ltd.—Japan

National Bank of Sharjah operates as a
Commercial and Retail bank but also
emphasises the following banking services.
Information on local firms and activities,
Syndications, Project Financing, advice on
establishing local businesses, Financial
Counselling,
Export Import Financing.

NATIONAL BANK OF SHARJAH

P.O. BOX NO. 4—SHARJAH

TEL: 25521 5 LINES

TELEX: 8085 CABLE: NATBNK

The third largest state in the United Arab Emirates, Sharjah is developing very quickly indeed. The strong commitment to free enterprise by the Ruler is a major factor in attracting business to the Emirate, and both banking and tourism look like joining oil as potential substantial revenue earners.

The economy

A KEY DATE in Sharjah's recent economic history is July 18, 1974 when oil was first produced from the Mubarak Field about 30 miles offshore. Sharjah's production, which was nearly 38,000 barrels per day last year, is expected to average about 37,500 bbl this year, but output should go up to about 50,000 bbl early in the New Year, and hopes are high of making both offshore and on-shore discoveries.

But oil is not the sole foundation of the state's prosperity: its booming economy reflects the economic buoyancy of the UAE, the generosity of its President Sheikh Zaid and the careful approach to development by the Ruler, Sheikh Sultan.

With the town of Sharjah only a few miles from Dubai—the two cities must eventually merge physically—it is natural that outsiders should see Sharjah's development reflecting a strong rivalry with its very successful neighbour, which has built up a trading, financial and industrial centre on the basis of substantial oil revenues and the commercial flair of its Ruler, Sheikh Rashid bin Said al Maktum. Dubai stole a march on Sharjah in the 1950s when Sheikh Rashid had its creek dredged, while Sharjah, which had traditionally been the most prosperous place in the area, allowed its own creek to silt up.

Sharjah is naturally trying to make up some of what it lost but though there is inevitably an element of business rivalry between the two rulers Sharjah's development is not specifically designed to compete with Dubai's. Like any state, Sharjah wants to develop its own resources and almost all the services it aims to provide will be complementary to those of Dubai and the rest of the UAE. With the UAE growing at its present speed there is more than enough business for both of them.

Sharjah does not so far envi-

sage using its hydrocarbon resources: its oil has been sold for several years to come. Instead it wants to make the best of its strategic location with outlets both on the Arabian Gulf and the Gulf of Oman, its beautiful mountain and coastal scenery and its relatively late starting point in large scale development.

Transport

In transport the Emirate has established the first two fully equipped container berths in the Gulf at Port Khalid in Sharjah town, and is at the moment building five general cargo berths, with the possibility of more to come. Deep water container berths are also under construction at Khor Fakkan on the east coast and should be in operation in about two years' time. Khor Fakkan, the only suitable site for a deep water harbour on the east coast of the UAE, has the great advantage of saving ships the need to pass through the congested Straits of Hormuz. Very large container ships will be able to call there on the way to or from the Far East, for example, and discharge containers for forwarding to other ports and destinations not just in the UAE but in the rest of the Arabian peninsula, by air freight, road, or in smaller ships. The two ports will be operated by Seacraft, the U.S. container and shipping company.

Reflecting the lack of container facilities and the fast turnaround times envisaged Sharjah's rates will be considerably higher than Dubai's. Storage space is limited at this stage so with Dubai's it is essential. With nearly 200 ships waiting to enter Dubai's Port Rashid, the largest man-made harbour in the Middle East, extra port facilities cannot be unwelcome.

The two ports will form part of an integrated transport and freight handling system in combination with the new airport, and will be marketed under the name of Sharjahport with a symbol of three seagulls, designed by the Ruler. The airport, which opens on January 1 but with the main terminal buildings coming on stream later, will be the best equipped in the UAE to date and will adjoin a large trading and industrial area, close to the main road between the two coasts of the UAE. It can handle freight which arrives at one of Sharjah's ports by sea destined for other parts of the Arab world; goods arriving by air and continuing by road; or goods coming by air direct to the UAE market.

With Dubai's existing airport only about half an hour away by road the new Sharjah facility, which will be managed by the company which operates Frankfurt airport, can hardly expect at this stage to attract many of the passenger carriers using Dubai. But Dubai's airport, whose construction was widely considered folly when it was ordered less than ten years ago, is rapidly running out of capacity and the economic growth of the region can be expected to provide enough traffic for two airports or more in years to come. Dubai's decision to build a new airport at Jebel Ali, 40 km in the opposite direction to Sharjah, could mean that its existing airport will concentrate on freight.

A prominent Sharjah landmark is the sign at one end of the main street saying: "Smile you are in Sharjah." The Ruler, who erected it some years ago, takes it very seriously and regards it as symbolising the openness and friendliness of Sharjah, considered a major selling point for the Emirate. Sharjah is attracting business very fast, including banks, headquarters, headquarters and industry. Oil industry services and plastic pipe-making are among Sharjah's existing industries, while several companies have set up their headquarters in Sharjah for the region or the UAE.

Among Sharjah's attractions are relatively easy availability of land, no taxes and less red tape than elsewhere. Businessmen interested in establishing themselves in Sharjah can approach the Ruler directly through his advisors and if the project seems to make sense, may be able to get under way in a relatively short time. Almost everyone doing business in Sharjah stress the easy accessibility of the Ruler to help iron out difficulties.

Finance

The Emirate is trying to draw more banks to Sharjah and already its share of the UAE's banking business has increased. The aim is to group all the banks in a specially designed financial centre. It is also



The new bridge across the lagoon at Sharjah town takes shape.

hoped to establish a stock exchange and the Ruler is trying to encourage companies to sell shares to the public. But at present there are several obstacles in the way of a successful stock exchange.

One factor drawing business to the Emirate is the feeling that Sharjah has the potential to be a very pleasant place. At present it is a very extensive building site but it already has a fine shoreline. Because it is starting later than most Gulf towns it has the chance to plan carefully and the Ruler, who has a special flair for design, has lovingly drawn up a plan of something approaching a model city with the advice of Harcourt, Middle East, the civil engineering consultants. In the plan appropriate parts of the town have been allotted for hotels (on the beach or lagoons), industry (away from the more pleasant areas), the financial centre, etc. To some Western eyes the plan envisages too much destruction of the relatively few old buildings Sharjah possesses, although many of the replacements will be designed in Islamic styles.

When in about two years time the greenery has had a chance to grow Sharjah should be able to attract not just businessmen but tourists into the hundreds of hotel beds now being built. Each hotel will have its own beach, which is not usually the case in the Gulf, and, meanwhile, Lufthansa is drawing up a plan for tourist development involving the mountain and east coast areas, where hotels and holiday villages are already projected. The mountains provide a better climate than the coast which is very humid in summer.

Tourism

But tourism hardly exists in the Gulf so far and the very high cost of living must make it questionable how many Europeans will wish to come to the UAE, despite its glimpses of Arabia. A more promising tourist market may be expatriates living in other countries on the Gulf which do not have the amenities, such as scenery and access to alcohol, which Sharjah hopes to offer.

With so much development in hand and at different stages of progress it is difficult to reach even an approximate figure for the government's spending, which is effectively the Ruler's private spending. The oil revenue is split with Iran and Umm al Qaiwain through an agreed formula and Sharjah gets only 35 per cent, of it, which this year is expected to amount to more than \$36m. Annual Government development spending is certainly well in excess of this figure, but it should be noted that Sharjah appears to be spending only about 50 per cent more on development than Ras al Khaimah which so far has not found oil in commercial quantities. The Government has some income from property and its recurrent expenditure is reduced because the Federal government pays for education, police, some roads and other services.

Because of its oil revenue, its stability and position in the UAE, and because many of the projects it is embarking on will be revenue producing, the Emirate has been able to borrow widely. It borrows from many of the banks which have established themselves in Sharjah. It

has raised two loans on the Eurodollar market, both in 1974: one was a \$50m general purpose loan arranged by Anthony Gibbs; the other a \$36m facility arranged by Citicorp for the first stage of the Port Khalid development.

The Emirate can borrow from the UAE Currency Board, the nascent central bank of the federation, and the local banks it borrows from can be re-financed by the Currency Board. Almost all Rulers at different times receive presents from straitened weaknesses, not to cash crises.

James Buxton

National Bank of Abu Dhabi

The leading bank in one of the richest countries in the world offers

a complete worldwide banking service

We have the facilities and ability to expand as rapidly as the economic growth of the United Arab Emirates... the knowledge and experience to cope with growing foreign interest in our oil industry. AND as a bank that's involved with multi-million oil transactions, you can count on us for expert advice and handling of your business.

Head Office: Sheikh Khalifa Street, Abu Dhabi.

Branches
ABU DHABI: Sheikh Hamdan Street, New Souk, International Airport, Hilton Hotel.
AL AIN, DUBAI, SHARJAH,
FUJEIRAH, RAS AL KHAIMAH, KHOR FAKKAN, BAHRAIN,
CAIRO, EGYPT, SUDAN, KHARTOUM.

Branches under foundation:

IN U.A.E.

Al Istiqlal Street, Abu Dhabi;

Clock Tower Branch, Al Ain.

OUTSIDE U.A.E.

Muscat, Doha, London.

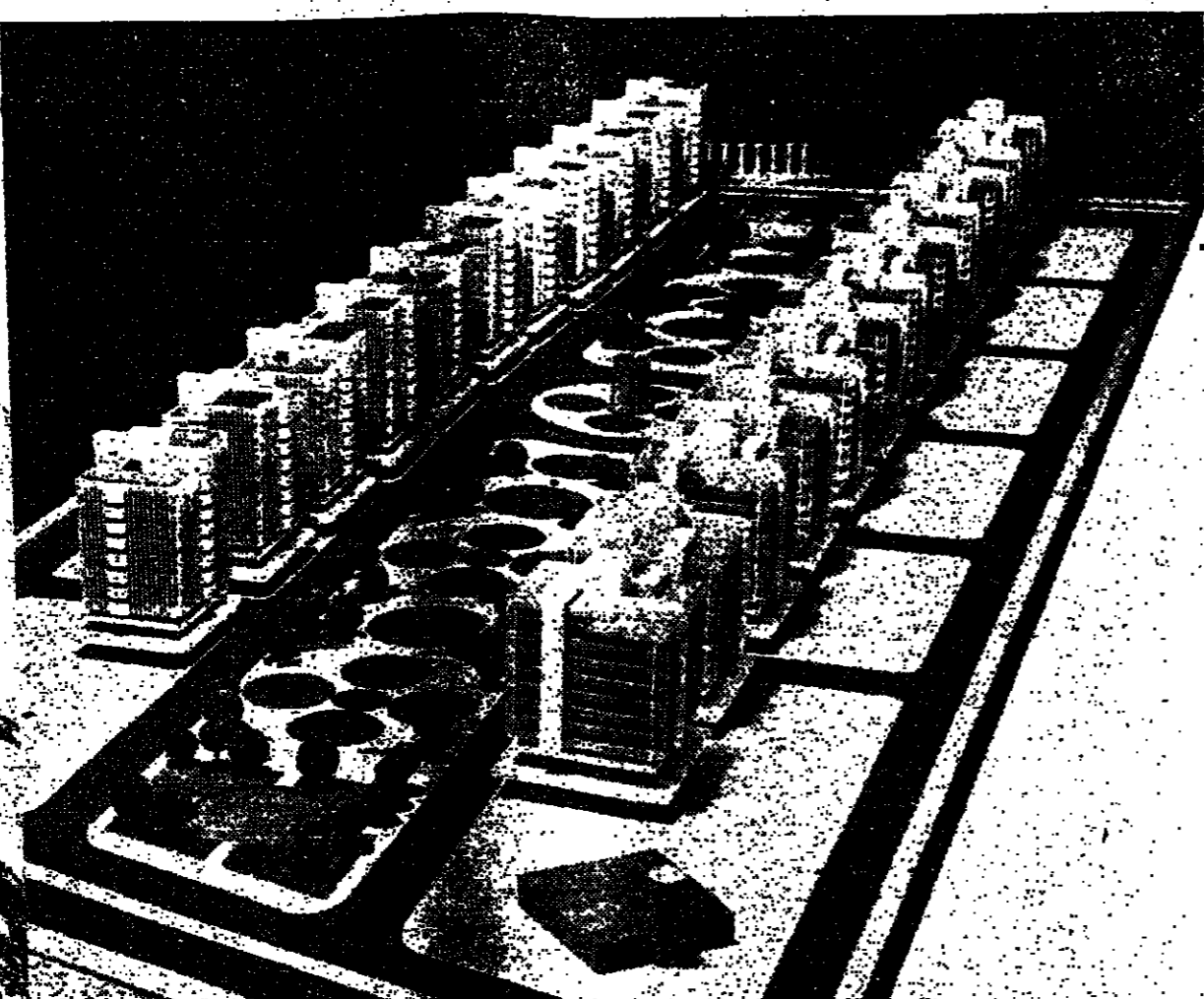
Total assets at 31st December 1975
UAE Dh. 3,793,534,546

US\$1 = Dh. 4 approximately

Postal address: PO Box No. 4, Abu Dhabi, United Arab Emirates.
Cable address: ALMASRAF, ABU DHABI, Telex: AH2266 and 2267.

د. ١٠٠٠ ١٠٠٠

SHARJAH III



Boorj Avenue, Sharjah's "Wall Street," building contracts for which have now been awarded.

Following the lead given by its neighbours Abu Dhabi and Dubai, Sharjah has set about developing its banking system. Its "open door" policy on foreign investment makes it an attractive centre, and already there is an encouraging flow of applications.

Banking

THE to attract manager saying that his financial services over had increased ten times in the last year, and a British manager spoke of lendings in Sharjah increasing by 500 per cent in one year. Naturally, such statistics will small com- have created enormous interest in the banking communities of the UAE, and the amount of business a bank does has very little relation to its reputation or ties, but depends more on the personality and initiative of the manager himself. With boom conditions prevailing in the Emirate, land speculation is rife. For example, a tremendous building on the waterfront in the town, one local main part of the town was built

for Dh.5m., sold for Dh.8m. and now has a market value of Dh.14m. all in one year. With so much money to be made at home, local merchants are ploughing their resources, with the help of the banks, into development projects, and at the moment very little overseas business is transacted in Sharjah. Commercial banking, letters of credit and trade finance will undoubtedly increase as Sharjah's ports move into top gear.

Absorbed

As a result of Sharjah's very active development programme, the public sector absorbed nearly 42 per cent of all bank credit in the Emirate in 1975, and accounted for Dh.74m. of the deposits in September, 1975. By March 1976, total credit extended to residents, excluding loans to banks, Dh.735m., compared with Dh.7.29bn. for the whole of the UAE. Thus Sharjah made up just over 10 per cent of the total. Last September Sharjah's share, at Dh.472m., made up 8 per cent of the UAE total, which was Dh.5.4bn. Although figures for Sharjah's banking system before that date are not available, it is clear that in the last year, while total banking business in the UAE has increased at a tremendous rate, Sharjah's own business has increased even faster. In March, 1976, total deposits in the Sharjah banks amounted to Dh.728m., which represents just 5 per cent of the UAE totals of Dh.13.8bn. Only four months earlier, in December, Sharjah's share was only 2.3 per cent.

In the next two years, local banks will grow very fast. The entry of new foreign banks is restricted by a two-year moratorium imposed by the Currency Board, and new branches of banks already represented in the UAE can only be established if the banks are not already represented in the Emirate. Local banking will thus receive a fillip throughout the UAE.

In the past year the Emirate of Sharjah has established a National Bank of Sharjah with a capital of Dh.15m., put up not only by UAE nationals but by Hambros Bank, Credit Suisse and the Mitsui Bank. Shortly after its establishment, it issued a syndicated loan of Dh.40m. for the financing of the Holiday Inn, with nine banks participating. Indeed, local banks are frequently involved in the financing of local projects, and the National Bank of Abu Dhabi, for example, is currently involved financially in two hotels and eight buildings around town, worth a total of Dh.60m.

As a demonstration of Sharjah's ambitions in the banking field, the Emirate plans to build a 24-block financial centre called Boorj Avenue. The Ruler has apportioned plots of land along the site of the boulevard to various members of the ruling family, and at the moment it is intended that the construction of the blocks be financed by the banks which take the ground floor and office

space on the first floor. Each building is to be 11 storeys high, with the rest of the space given to shops and restaurants, apartments, and a penthouse on the top floor of each building.

The "Wall Street" of Sharjah, as it has already been dubbed, is to consist in the first stage of 12 blocks of two different types. The contracts for the construction have already been awarded on a fixed price basis, the larger size block costing Dh.10.67m. and the smaller Dh.9.3m. Of the 24 buildings lining the street, six have been awarded to Gulf General Projects, six to Eastern contracting company, three to Shattaf Construction, three to GIBCA-ACC and three to Conforce Gulf, so the major involvement for the work comes from prominent local companies. Consulting engineers for the whole project are TYPISA, a Madrid firm.

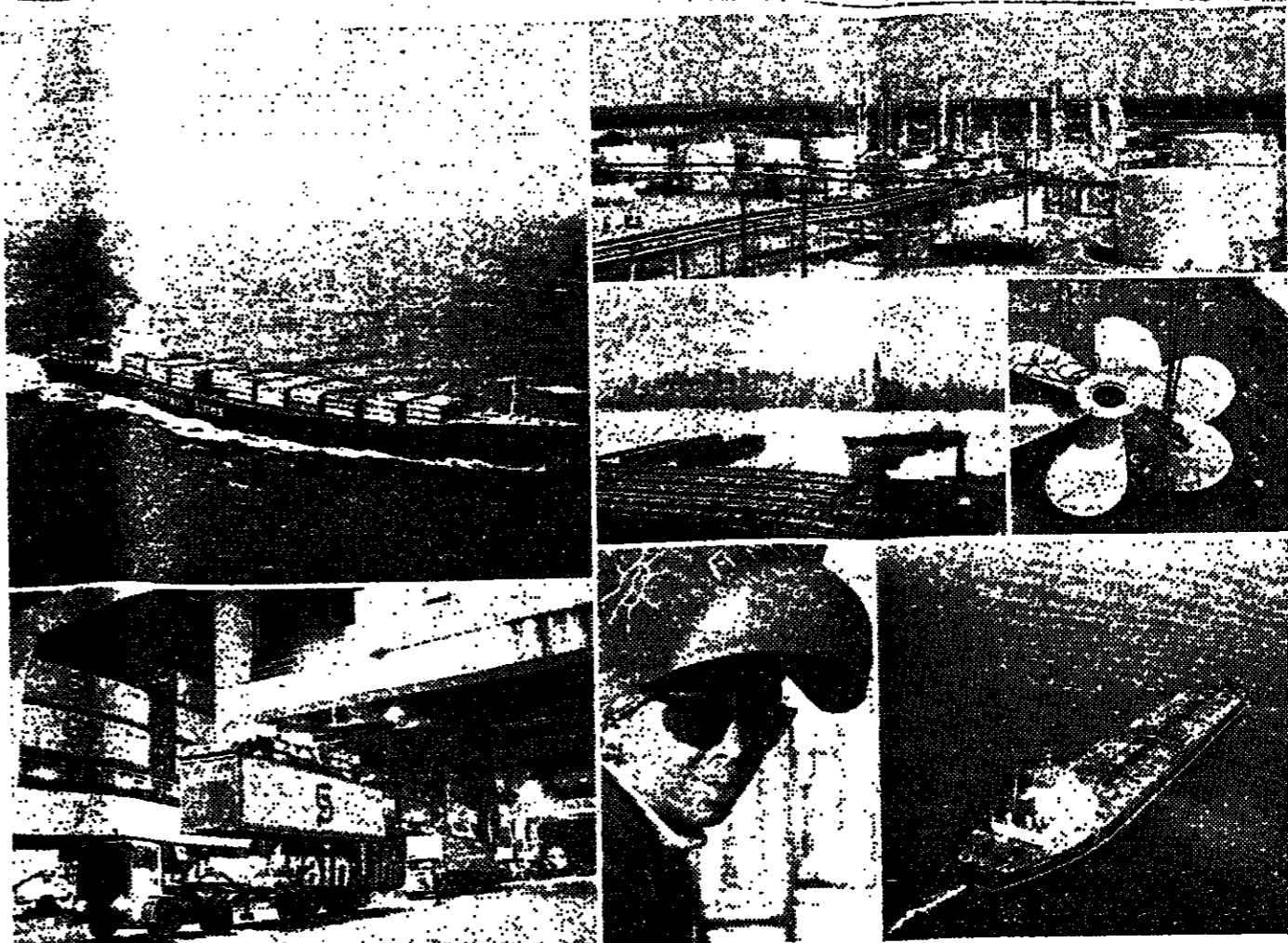
According to Government sources 12 banks have been designated as tenants: and financiers of Boorj Avenue blocks, though few have put it in writing yet. The other main facility in the finance field planned by Sharjah is a twin tower 18 storeys high to be built on the Corniche. This building will house the offices of the Currency Board, the stock and commodity exchanges and the two stockbrokers that have decided to come to Sharjah—the Canadian company Wood Gundy, and Hedderwick (Middle East). The construction contract of this prestigious building is shortly to be awarded, and consultants for the project are Interconsult, an Egyptian firm.

Infancy

Stock exchanges in the UAE are in their infancy. Many of the concepts involved are totally unfamiliar to Arabs in the UAE, and when money can so easily be made in property speculation or real estate development there is very little incentive to buy shares. When borrowing from the banks is so easy and cheap for most businessmen, there is little need to raise money on stock exchanges. The stock exchange in Dubai witnesses almost no trading because no one ever sells a share. The Sharjah Government hopes to stimulate dealing in stocks and shares in part by making many more shares available. Companies will be expected to sell part of their stock to the public, and Government projects will do the same, in order to encourage wider share ownership and distribute wealth. With the return on local investments running so high the existing stockbrokers might find the emirate market a promising place to sell shares, since overseas investments cannot match the gains being made locally.

For the moment, business lies with the gentlemen who sit with studied idleness outside the British Bank of the Middle East on a special bench provided by the bank. They are the land brokers who swing their worry heads and conduct their dealings in the time-honoured way of the Arab world.

Kathleen Bishtawi



This is Seatrain today.

Container Services • Atlantic • Pacific • Caribbean • Mid-East
Transportation Management • Steamship Agency • Port Management • Chartering • Brokerage
Shipbuilding • Tankers • Barges • Containerships
Energy • Oil Refining • Tanker Operations

Seatrain

Innovators in International Transportation
One Chase Manhattan Plaza, New York, N.Y. 10005 (212) 964-3400



BUKHATIR INVESTMENTS LTD.

Building Materials, Civil Contracts, Real Estate and Land Development, Property Management and Hoteliering. Representation and Contracts of electronic, refrigeration, air-conditioning, film and studio equipment. Sole Agents for Excavators and Lorry-mounted Hydr. Cranes. Mortarpumps, Plastering Machines and Concrete Pumps. Readymix Concrete Supplies and pumping services. Manufacture of Expandable Polystyrene and Flexible Polyurethane products, Aluminium Doors and Windows.

Associated Companies

Cementco Limited
Eastern Contracting Company
Trade House Inc.
Emitac Limited
German Gulf Enterprises Ltd.
Sharjah Real Estate Company
Sharjah Health Club
National Hotels Limited
Modern Hotels Limited
Marbella Club Sharjah Ltd.
Euro-Arab Investments Ltd.
Conforce (Gulf) Ltd.
Conmix Limited
Plastifoam (U.A.E.) Ltd.
Alumtech (U.A.E.) Ltd.

P.O. Box 88, Sharjah, U.A.E.
Cables: SALAAH Telephone 22770-23310
Telex: 8033 SH BURKAT



The Commercial Bank of Dubai Ltd
Emirates Head Office
Sharjah

Complete Banking Service

In association with



THE CHASE MANHATTAN BANK, N.A.
New York



COMMERZBANK
Düsseldorf

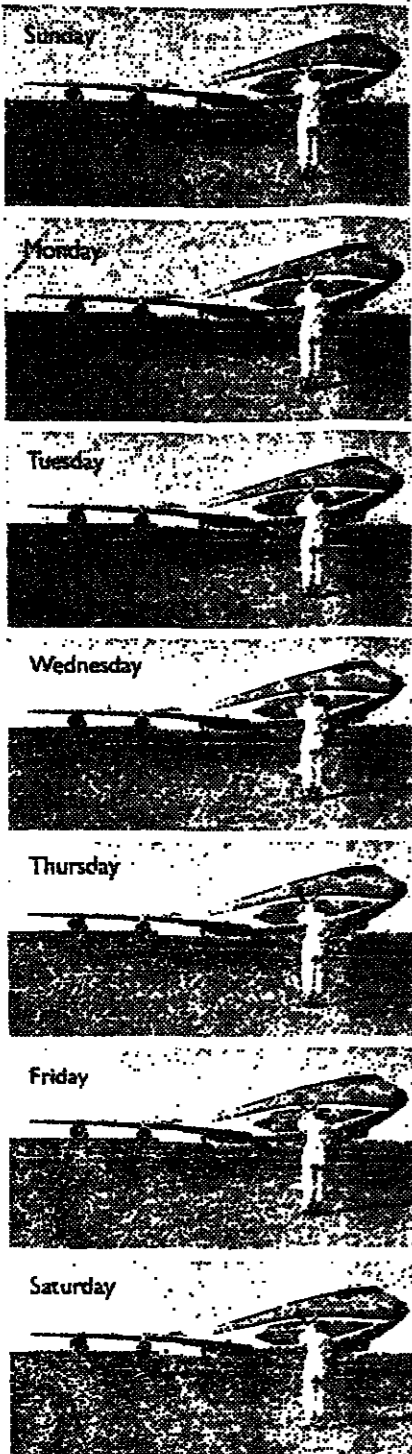


COMMERCIAL BANK OF KUWAIT S.A.K.
Kuwait

P.O. Box 677, Sharjah, U.A.E.
4, 22520 Tlx: 8116 Cable: TRUBANK

SHARJAH IV

The best day to get to the Middle East.



Once you've chosen the day, Kuwait Airways will fly you out. Right on time. At 10.20 a.m. to be precise. To help us keep this promise, we have our Boeings ready and waiting the night before.

Businessmen appreciate our brand of punctuality, which is probably why we fly more of them on this route than any other airline.

Another reason could be that since we're based at the Heart of the Arab business world, we really know the area and the people in it.

We can advise on who to contact about a whole range of matters. From local labour availability to finance, planning regulations or the best restaurants to take a client.

On board, we do all we can to cater to your creature comforts.

There's always a film to watch, or if you prefer, you can relax to the soothing sounds of your own personal 6 track stereo.

So fly with us to Kuwait, the Gulf or anywhere in the Middle East. It's the natural choice. Any day.

KUWAIT AIRWAYS
At the heart of the Arab business world.

LONDON: 52-55 Piccadilly, Tel. 01-499 7681/2, 3. Heathrow Airport, Tel. 01-759 7774.
GLASGOW: 124 St. Vincent St., Tel. 041-248 3588. MANCHESTER: 218 Royal Exchange Bld., Manchester 27DD.
Tel. 061-834 4161. STOCKHOLM: Birger Jarlsgatan 6, Fack, 103 80 Stockholm. KAC Representative
Sales Office and Reservations 10 14 59. COPENHAGEN: Vester Farimagsgade 1, 1606 Copenhagen V, Tel. 150915.

Sharjah's new airport, only 15 minutes drive from Sharjah town, comes into operation at the beginning of next year. Its operations will be coordinated with those of the Emirate's new ports in an effort to relieve the congestion that is affecting freight shipments to the area.

International airport

THE RULER of Sharjah, Sheikh Sultan bin Mohammed al-Qasbi, is not known for building prestige projects: with Sharjah's relatively small oil income, the viability of every project is examined closely, and often the question asked is not so much whether it will benefit Sharjah, but whether it will pay for itself.

Nevertheless the decision to build a new international airport in Sharjah was met with some scepticism, but throughout its brief five year history, the UAE has constantly proved the cynics wrong. Three international airports are now being built, although the UAE already has the most modern airport terminal in the region. Dubai is thought to be planning to expand its present airport and later turn it into a cargo terminal when its Dh1.5bn airport is completed at Jebel Ali, the site of its new industrial area 40 km. away from the city. Abu Dhabi is building a splendid new complex with the help of the designers of the Charles de Gaulle airport in Paris, at a cost of about Dh1bn.

Sharjah's new airport, located just 30 minutes drive from Dubai (and 15 from Sharjah), might appear hard pressed to find customers and traffic. Yet although they have been in existence only a short time, the UAE's airports are rapidly becoming clogged up with cargo, particularly since the worsening of port congestion and are close to capacity with passengers.

With other Gulf ports and airports facing freight congestion problems, Sharjah airport is looking for a regional role, when it comes into operation on January 1, 1977, and its operations will be co-ordinated with the two new ports. Pressure to build a new airport mounted as Sharjah's old one, with its small runway and humble terminal buildings, became unable to handle the airliners of today. Built in 1932, it is now located

Contractor

Sharjah's new airport is the only Category II airport in the country, and by the time it is fully operational, construction cost may amount to as much as \$50m. Khansaheb, a prominent local contractor, has been responsible for the associated buildings, Belgium's Six Construct for the main terminal block and Tarmac for the runways. The airport will be able to handle the largest aircraft in use and six could be loaded and unloaded simultaneously. The British company International Aeradio has been awarded the contract for ground handling and airport flight operations.

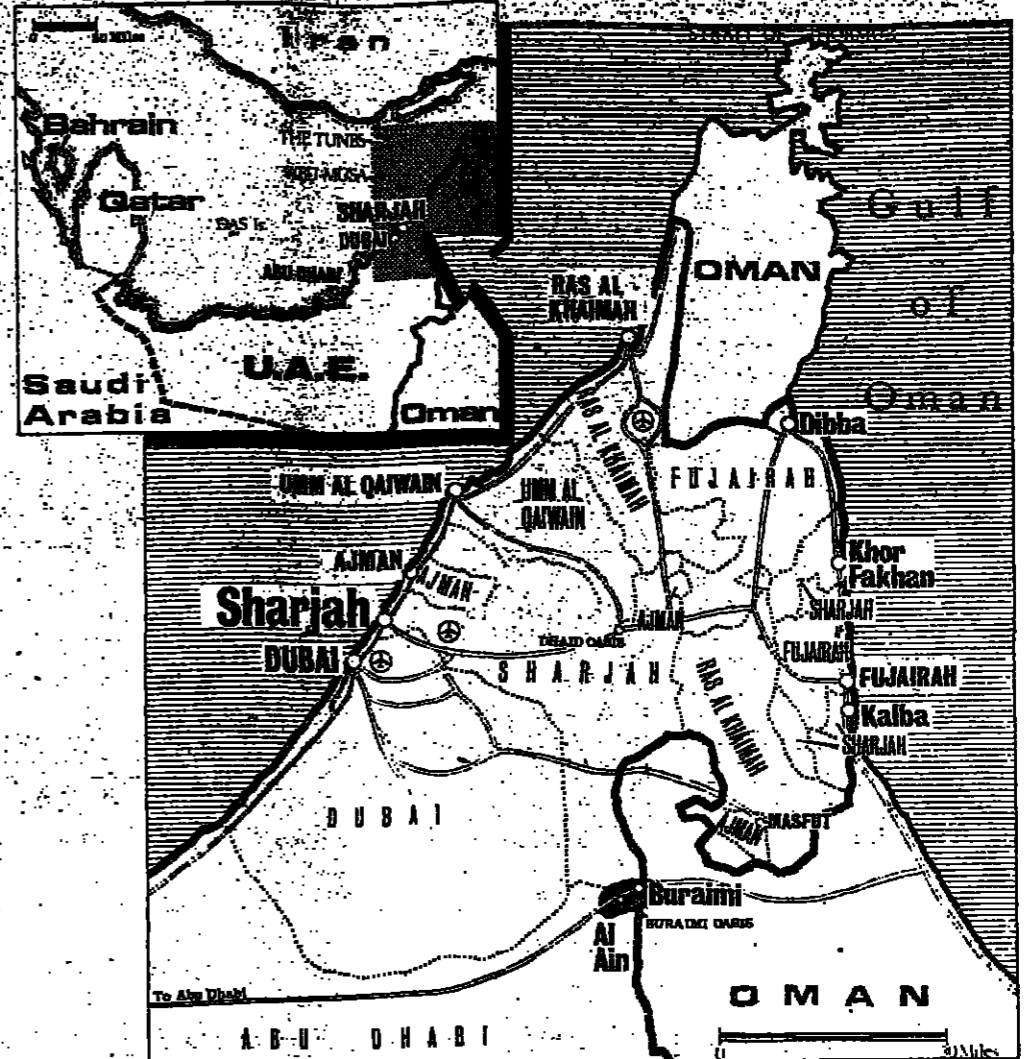
When the new terminal is opened in January, cargo space available will be only half that envisaged for the final stages of development; when completed, Sharjah airport will be half the size of Frankfurt airport.

The cargo space available will be 12,000 square feet, and the final phase calls for an additional area of 350 metres by 450 metres, a container distribution terminal 550 metres by 350 metres and a technical services and maintenance area. It will be the first fully containerised airport handling facility in the Middle East.

Sharjah will allow airlines to handle their own cargo, rather than have it handled by the airport authority, a particular advantage in view of the specialised nature of the industrial area the airport is situated in.

Consolidated cargoes and split charters will be welcomed. Like the ports, Sharjah's airport will be run on the philosophy of a rapid throughput. Tariffs are as yet undecided, and although one week's free storage will be given, the management does not want cargo hanging around. "We are going to assume that air freight is for urgent shipments," said a spokesman.

In addition to the cargo and passenger facilities that will open in January, there is space allocated for a flying school at the airport, an area for small executive jets, which are a growing business in the UAE, and an area for the military, away from the main passenger and handling most of the freight at cargo areas. A new highway Dubai airport (about 400 tons a day in and out) is indebted to Sharjah East coast road, and on the other side of the highway a new industrial free zone is to be established. The whole area is still the subject of Sharjah are alluring.



negotiation, but it will be leased to a major American corporation. The zone is earmarked as a business centre, a showroom area and for light manufacturing industries and oil-related services. There are also plans for a major international hotel to be built outside the main complex. The industrial zone is approximately 2,500 metres by 700 metres. Already the new airport has stimulated interest from local businesses, and nearby a poultry farm is under construction: young chicks will be brought in by air freight and frozen broilers exported.

The first airlines to use the new facility will be those which have been using the old airport and which will transfer to the new terminal in January. They include Gulf Air, which is considering increasing its services above its present five flights a week. Air Ceylon, which increases its weekly flight to two a week, and Yemen Air, which may go from two to three flights a week. Air Intergulf, a small feeder carrier to the Gulf States, has submitted a schedule of four flights a week to Bahrain, Doha, Abu Dhabi, Ras al Khaimah and Muscat. Overseas National Airways, an American carrier, is looking at Sharjah for its huge containerised cargo shipments from Rotterdam, and Lufthansa is reportedly thinking of Sharjah as a stop on its Far East route. International Air Services, the British cargo carrier based at Gatwick, which has until now operated CI 44s into the old Sharjah airport, will be moving and is currently considering shifting its DC8 jets which are presently flying into Dubai, to the new airport. IAS will be running a weekly service into Sharjah, using it as a local transit point.

But many of the big names in the airline business have so far not committed themselves about Sharjah. Many consider Dubai, the point most of them operate through, to be the big business centre, and are so far reluctant to divide or move away their operations. TMA, the Lebanese cargo carrier which is from the main passenger and handling most of the freight at cargo areas. A new highway Dubai airport (about 400 tons a day in and out) is indebted to Sharjah East coast road, and on the other side of the highway a new industrial free zone is to be established. The whole area is still the subject of Sharjah are alluring.

One possible user of Sharjah, though a decision is not currently has no Middle East month. Like the two ports in Sharjah, the new airport is going to sell solely on its service and its facilities. As one Government man remarked, "All Sharjah has is its central location and a different outlook."

K.B.



Sharjah International Airport

Beginning January 1, Sharjah's new International Airport will offer a new level of sophistication for passengers and freight destined for the United Arab Emirates and the Gulf.

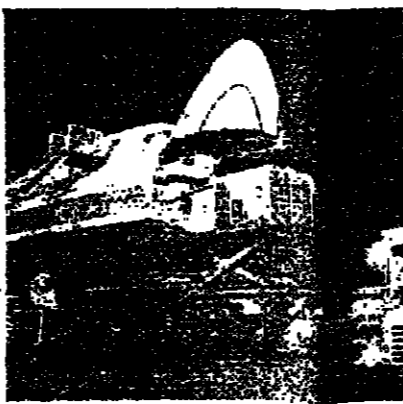
Built to the highest international standards, equipped with the latest ground handling equipment, managed by Frankfurt Airport Authority and operated by International Aeradio Limited, the airport will provide services that are second to none.

Linked to the Ports of Sharjah and

Khor Fakkan as well as to a new trans-Arabian trucking system, the Airport will form a vital part of "Sharjahport" — the Gulf's first intermodal transportation system.

Further, the Airport will offer the Middle East's first airport container terminal enabling you to speed both dry and refrigerated cargo to any Gulf location.

Adjacent to the Airport a new western style Industrial Park will soon be under construction — an



Ideal site for you to serve the growing markets of the Gulf.

We're anxious to serve you.

Contact us:



Sharjah Airport Authority
P.O. Box 8, Sharjah,
United Arab Emirates
Telephone: 24301 (5-lines)
Telex : 8185 AIRPT SH



UNITED ARAB BANK
(A Sharjah Limited liability company)

Branches in:

ABU DHABI

DUBAI

RAS-AL-KHAIMAH

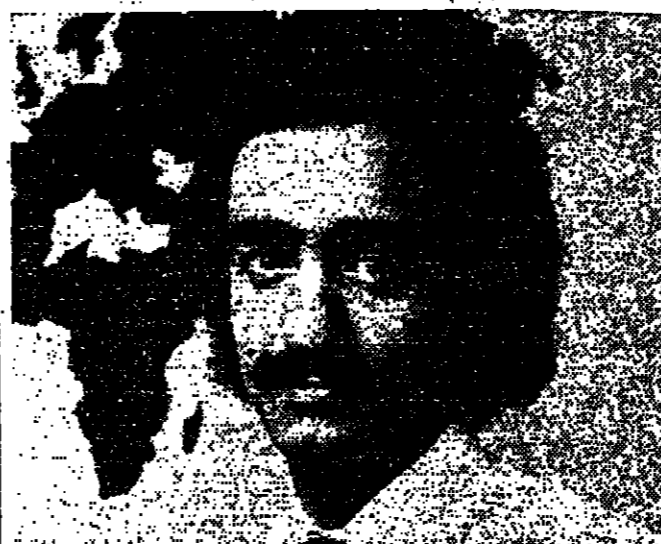
Head Office: P.O. Box 881, Sharjah,
United Arab Emirates.

Telephone: 24111/2/3

Telex: 8092 sh.

Cable: UABANK

In association with Société Générale (France)



Sheikh Sultan Khalid Al Qasbi, Sharjah's Director of Aviation.

شارجه من اجل



new Al-Qasimi (above). It will have 700 beds and a patient department. The British Medical Group is for managing the hospital, staffing and running it, and has agreed to run it on the basis of a fee. (Right) H.H. Sultan bin al-Qasimi, Sharjah, cut a pair of scissors at the ceremony opening the tape of the new Al-Qasimi, director of the Medical Group.



The advantage of having started later than many other emirates is that Sharjah is planning a pleasant environment almost from the start. It has added to this the speed with which it is developing facilities for schools, hotels and hospitals and it becomes a very appealing business centre.

Environment

Sharjah is a city of lagoons. Courses are now available in Arabic, which has proved the most popular language, and in English, as well as marketing, finance and personnel. The island is currently being developed by a number of companies, and throughout the design great emphasis will be placed on reflecting the Arab heritage. The idea is to create an area where residents can walk from the financial district of Boorj Avenue through areas of cafes, restaurants, and souks to the beach hotels. One of the more exciting restaurant designs is being produced by Samir Babcock, of Milan, who is proposing a building entirely in the shape of a huge seashell. Located nearby is the souk, a market of 804 stores which is being designed by architects White Young and Partners, of London in a beautiful Islamic design. A general market housing 200 foodshops and stalls is to be built in the same area. On the other side of the lagoon a project to build a huge residential complex consisting of 20 V-shaped towers is being studied. Along the other end of the beach, an expatriates' beach club is being planned. Sharjah is also planning a number of community centres. One cultural centre is to be located in one of the green belt regions and will contain a theatre and library; there are to be two clubs and marinas on the beach, and a new stadium is nearing completion. Added to that, Sharjah is planning two bowling alleys and a health spa, and an English style pub is being built at the moment. The field of restaurants, cinemas and other recreation centres has seen heavy Lebanese investment in recent months. One of the greatest concerns of any foreign businessman in the Emirates is where to educate his children, for in the past a posting in the UAE has meant long separations from them while they continue their education at boarding schools back home. Such is the pressure on school places in Dubai, for example, that several schools are asking local companies to take out expensive debentures and become financially involved in the airport which is a distribution of small factories facing a major advance in the area was the University of Mary, which is offering evening classes in various subjects which can be credited on the American system.

Programme

So far the school has taken children of 35 different nationalities and to-day it is the most sought after school in the area. There are currently 600 students there, with a waiting list of 200 more, and so the school has embarked on a major development programme which would create a school with capacity for 3,500 children. Covering 4m. square feet of land, the new campus will also accept 500 boarding children. More teachers are to be brought in to add to the present number of 54, most of whom are British.

Besides the Choueifat College, a German school is currently under construction by German Gulf Enterprises, and the French community is embarking on a new kindergarten school with plans to take older children in the future. Also under construction at the moment is a Montessori school. All of these educational developments are now servicing the needs not only of the foreign community of Sharjah but also of the other northern Emirates. Among the federal schools is a trade college for technicians. What is so noticeable about Sharjah even to the visitor is the attempt at beautifying even the high rise streets. While other Emirates are cutting down their palm trees to make way for developments, Sharjah is busy planting them along the boulevards and parks. The environment is growing more attractive daily despite the construction everywhere, and is bringing in investment.

K.B.

BANK OF SHARJAH

Incorporated in the United Arab Emirates

Paid Up Capital: DIRHAMS 15,000,000

Affiliated to Banque de Paris et des Pays-Bas with participation of the Government of Sharjah

Hon. Chairman:

H.H. Sheikh Sultan Bin Mohammad Al-Qasimi Ruler of the Emirate of Sharjah

All commercial banking operations

Correspondents all over the world

P.O. Box 1394

SHARJAH

UNITED ARAB EMIRATES

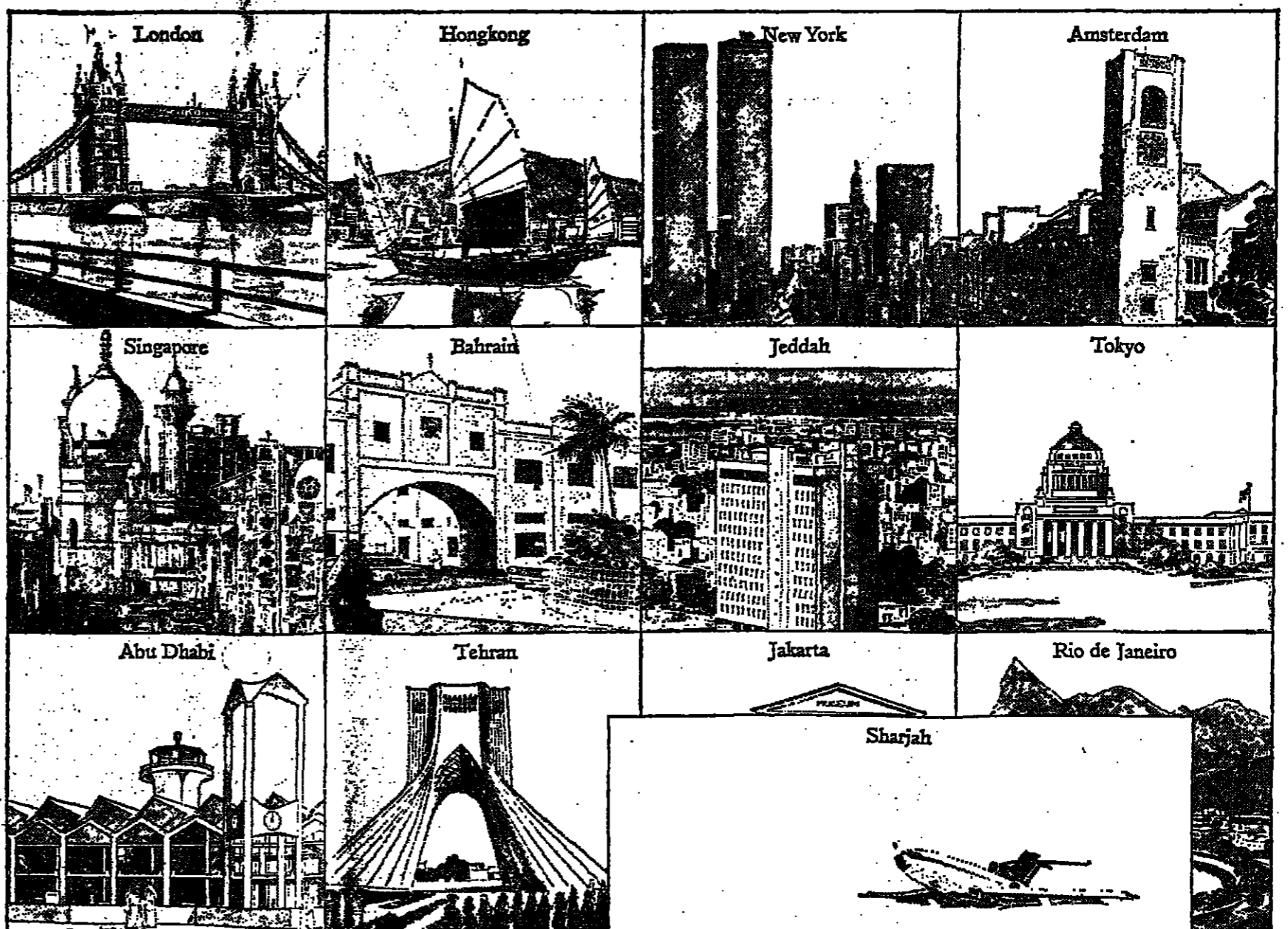
Telephone: 23520-1-2

Telex: SH 8039



بنك الشارقة

Our main office is just down the street from these buildings.



In each country where we operate, we regard the local office as important as the head office back in Holland.

All our 180 banking offices and affiliates in 40 countries are staffed by carefully selected qualified banking experts.

They know the people, the language, the market and they are backed by a thorough international organisation, which means they can draw on main office help whenever necessary for your specific banking needs.

You see, wherever you are, we want you to get main office treatment. That's how ABN works.

Sharjah Al Zayuni Building, Al Arouba Street, P.O. Box 1971, Telephone 25021.
London Chief Office, 61, Threadneedle Street, EC2P 2HH, P.O. Box 505, Telephone (01) 638 4474.

ABN

Algemene Bank Nederland

Amsterdam, Vijzelstraat 22, The Netherlands.

International Money Brokers

Guy Butler (International) Ltd.

Members of The Foreign Exchange
and Currency Deposit Brokers
Association

Represented in the Middle East by:
Morris C. Westwood,
P.O. Box 35117,
Kuwait, The Gulf.
Tel. 549113

Offices in
Frankfurt, Geneva, Madrid,
New York, Paris, Rome, Toronto,
Kuala Lumpur

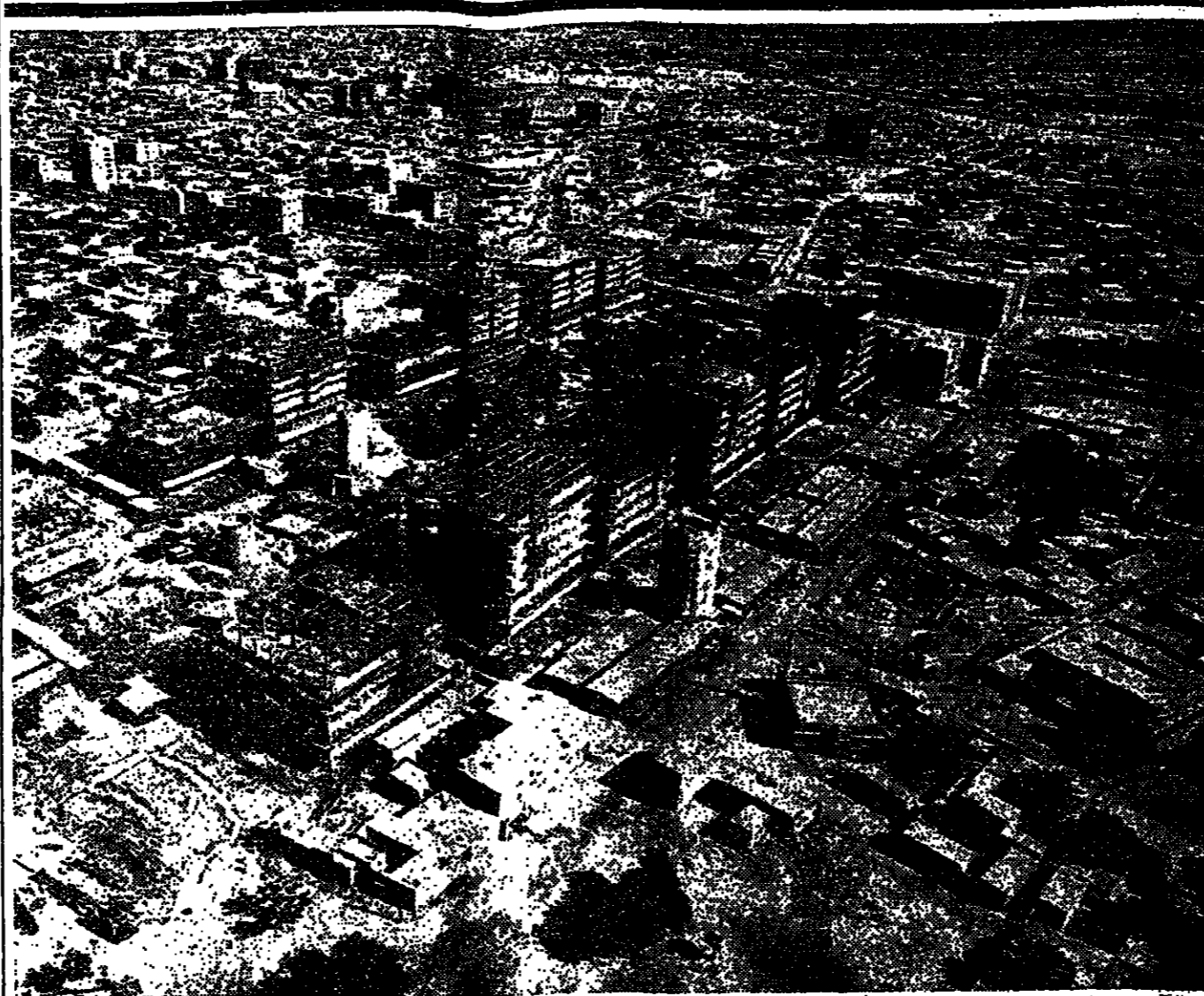
Associates in
Zurich, Amsterdam and Brussels

In association with

Butler Till Ltd.
Sterling Money Brokers
Jersey and Edinburgh

Adelaide House
London Bridge, EC4R 9BY
Telephone 01-623 7782

SHARJAH VI



An aerial view of new developments in Sharjah town centre.

There is a warm welcome for industry in Sharjah, and many foreign firms are already represented in the Emirate's industrial estates. Problems of services and accommodation can often be solved relatively quickly, although there is growing anxiety that the booming construction sector is absorbing more than its fair share of labour.

Industry

SHARJAH GOES out of its way to attract business to the Emirate. As in the rest of the UAE, there are no taxes and the currency is strong, but Sharjah makes a special effort to help industries and company headquarters set up in the Emirate without too much difficulty. Businessmen seeking information can approach the Government direct and discuss their projects with an Emirate official under a free counselling service.

Although businessmen are usually advised to go into partnership with a local Arab this is not obligatory and companies wishing to set up headquarters rather than production plants in the Emirate do not usually consider it necessary. Businesses which decide to take a partner—and almost all manufacturing businesses do—can get the assistance of Emirate officials in finding a suitable local Arab. Once a partner has been found and an agreement made the process of establishing premises, obtaining Post Office Box numbers and having telephones and telexes installed can get under way.

The Ruler takes a personal interest in many projects and is often prepared to give his time at short notice to business men who have problems. The Emirate may also be able to help businessmen by leasing them land on which to build plants, often at low rentals but with the possibility in some cases of the land reverting to the Government after 15 or 20 years. Any Arab can own land in Sharjah, whereas in other Emirates ownership is usually confined to Gulf Arabs.

This positive approach is



Mr. Abdul Rahman Bukhalir is one of Sharjah's most prominent businessmen. His very wide range of interests include the manufacture of products for use in construction and the ownership of hotels.

principally aimed at bringing to Sharjah companies which will establish industries which can expect a lengthy future in the region, such as consumer goods manufacturing and warehousing; so far, though, most of the companies now in Sharjah are closely related to or directly involved in the construction industry, whose life on its present scale may be relatively short, although more food processing plants are in move in shortly.

Labour is not cheap in the UAE and much labour in Sharjah is provided by Iranians, Pakistanis and Indians. With only a small indigenous population the Emirate prefers to attract capital-intensive and brain-intensive industries.

The Emirate has already attracted many industrial plants to the industrial estates it is creating in the town and near the airport. There is a plastic pipe factory, several paint factories, a perfume bottling factory, an oil services company (the French concern ETIPM), several steel product companies and ready-mixed concrete producers. Among British companies represented in Sharjah are BICC, Wellcome Foundation, Bristol Helicopters and British Reinforced Concrete. Companies which have set up headquarters in Sharjah include Farmac, JM, Honeywell, Rectel, Westinghouse and Armo Steel.

Commitment

To make sure that companies are keen to stay in Sharjah and train local personnel, companies establishing new industries are often expected to put up a substantial part of the capital themselves and thereby indicate a firm commitment to the project. In a typical financial package envisaged by the Sharjah Government a foreign company might be expected to raise about 33 per cent of the capital for a project itself. Another third would be raised by local Arabs, and the last third borrowed in a commercial loan guaranteed by the Government, which would be conditional on the company offering shares to

the public in due course. At that stage the Government might want to take a small percentage of the equity itself.

Among some members of the Arab business community in Sharjah there is some anxiety that the construction boom is absorbing labour which ought to be available to industry and that property investment is taking too much local capital. Local businessmen can prove reluctant to invest in industrial projects when the rewards of investing in property seem far greater, and the property market is often easier to understand than complex industrial projects.

Necessary

It is partly because of this that the Government has established the National Industries Company under a British general manager to establish industries which are considered necessary and viable but which may be beyond the reach of local capitalists. A 700-ton-per-day cement plant is shortly to come on stream having been constructed at a cost of \$21m. by Six Construct. It will be managed by Apem, a subsidiary of Associated Portland Cement, and with it a factory for making paper sacks for the cement. The company's third project is a factory making polypropylene ropes for the construction and fishing industries.

The money for these plants has been raised by banks guaranteed by the Government. Having established these and other projects the Government intends that the company should sell off shares in the individual projects to the public.

Another Government project is a 250-ton per day fishmeal plant to be erected at Khor Kalba on the East coast. It has not yet been decided how the project, which was originally to have been located on the West coast, will operate, and whether it will rely on fish caught far out in the Indian Ocean or caught more locally, since little is known about the quantity

of fish in the region. What is known is that the area is underfished. The project will probably commence on an experimental basis with two chartered trawlers but the intention is to train local fishermen using their own boats, and ultimately to sell shares in the company to the fishermen themselves.

Apart from this, relatively little is being done to develop the natural resources of the State for food production. Agricultural output in the mountain and oasis areas could be increased but only, the Government believes, at high cost in raising underground water, and rather than subsidise agricultural operations in the area the Government prefers at this stage to keep the water for eventual use in the urban areas.

Expatriate businessmen who have successfully set up in Sharjah say that it can be done relatively quickly, and certainly quicker than in many other Arab business centres. But they point out that obtaining the necessary licences and conforming with regulations over premises can in particular circumstances take several months. It is not always easy to find a suitable partner quickly and it is wise to consult banks and other organisations with local knowledge on this subject.

The problems of obtaining services and accommodation fast may indeed be solved quickly, especially with the intervention of senior officials, but despite the aim of services to expand ahead of demand (4 kilometres of telephone cable are laid each day) it is almost inevitable in a rapidly growing place that difficulties should occur from time to time. Businessmen can wait in hotels for months on end before moving into flats or villas, and their offices, if they have them, may have to struggle along without PO Box numbers and telephones for some time.

But all businessmen consulted said that it was possible to obtain services very quickly by approaching senior officials who realised the need for industries to establish themselves fast. And all agreed that the Ruler is exceptionally approachable and is prepared to take an interest in quite minor problems.

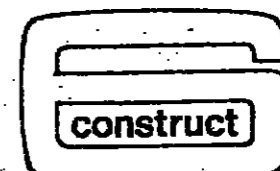


Crescent Petroleum Company

Proud participants in the
development of Sharjah

تلفون ٢٢٨١ بريدنا كرسبت انشادقة تكملة كرسبت ٢٢٨١
الاسمارت المرمية المتحدة

p.o. box: 211, sharjah, u.a.e. tel: 22801
cable: crespt sharjah, telex: crespt 8015



LIMITED

SIX CONSTRUCT LIMITED
U.A.E.

SHARJAH P.O. BOX 1472
TELEX: 8023 TELEPHONE: 23453
ABU DHABI P.O. BOX 226
TELEX 2339 TELEPHONE: 22579

BRANCHES:

AJMAN, UMM AL-QAWAIN, RAS AL-KHAIMAH
DOHA, QATAR MUTRAH, OMAN

TEN YEARS ACTIVITIES IN THE GULF

HARBOURS - CORNICES - BREAKWATERS
JETTIES - FERTILIZER PLANTS - REFINERIES
CEMENT FACTORIES - POWER PLANTS
ROADS - PILING - BUILDINGS
SPECIALIZED ALSO IN QUARRIES
(Rocks to your requirements available from our quarries.)

The company is fully backed by

SIX CONSTRUCT INTERNATIONALS A.

5, Ave Gallilée, 1030 Brussels, Belgium, with
affiliated companies and branches in
France, Iran, Iraq, Oman, Rwanda, Saudi Arabia,
Spain, Sudan and Zaire.

J.B.



بنك عجمان العربي
Ajman Arab Bank

Economic and Financial Advisors to
THE AJMAN GOVERNMENT

Opening soon in Sharjah

Head Office: P.O. Box 414, Ajman, U.A.E.
Branches in formation: Abu Dhabi and Sharjah.
Representative Offices: London and New York.
In London contact:
Dr. Edgar L. Tiefenbacher, European Representative,
Ajman Arab Bank, Imperial House,
Dominion Street, London EC2M 2SU
Tel: 678 9116/7. Telex: 8811911



Head Office: White House, Sharjah-Dubai Road,
Sharjah, United Arab Emirates

P.O. BOX 792
CARLES TAMINSURE SHARJAH
TEL: SHARJAH 22516 & 25090
TELEX: 6060 TAMIN SH

THE FIRST NATIONAL INSURANCE COMPANY
INCORPORATED IN THE U.A.E.

TRANSACTS ALL CLASSES OF INSURANCE:
MOTOR—FIRE—MARINE CARGO—MARINE HULL
PUBLIC LIABILITY—WORKMEN'S COMPENSATION
PERSONAL ACCIDENT—BURGLARY—CONTRACTORS ALL RISKS
OFFICES—ABU DHABI—DUBAI

٢٢٨١ بريدنا كرسبت

SHARJAH VII

In the oil-rich Middle East, Sharjah, with only one producing field, languishes at the bottom of the region's oil production table. But there are hopes of finding further commercial deposits, and exploration continues to that end.

Seeking more oil

not a major oil of its agreement with the Ruler. Crescent is a consortium in field, Mubarak, which the operating company 0 bd in the first Buttes Gas and Oil (of the U.S.) to increase to which has a 23.7 per cent stake. The other shareholders are operating com- Ashland Oil (25 per cent), Kerr McGee (12.5), Cities Ser- vice (10) and Juniper Petro- Sharjah below leum (1.8).

bottom of the The Mubarak field came into Middle East oil production remarkably quickly there are high in July, 1974, and output, which offshore dis- it was estimated would go up to the Emirate the an average of 80,000 bd so finding com- initially reached an average of ties of oil on about 50,000 bd. But the lered good. structure lies between 13,000 and 14,000 ft, below the seabed, and, about 30 where there is a water depth west coast of of 200 feet, and is so far the e Iran occupies the deepest oil-producing reservoir Tehran govern- in the Gulf.

If the revenue Because of very high well and the Ruler pressure combined with plastic 30 per cent, structures in the geological is's remaining formations all Crescent's wells al Qatwan, he- have at times caused problems t dispute over usually involving the sheering of the border of the well casings. One well, which developed problems last year, has had to be abandoned altogether.

This year monthly production averages have ranged, accord- ing to the Middle East Economic Survey, between 28,000 bd (in tax and royalty February) and 50,000 bd (in seen \$7 and \$8 March), with the average for uld have pro- the first six months of the year it with about at 39,000 bd, about 1,000 bd hen production less than the corresponding 0 bd. This period of last year, Crescent ction generally says that production in age more than November was 34,000 bd, hut ut the same a fourth well, due for com- pletion in November, should for Sharjah's produce an extra 15,000 bd.

The rig which drilled it will ent Petroleum, then be able to tend to an exist- relinquished a ing well which is suffering der the terms mechanical problems and is now

producing only about 5,500 bd, it will have to be shut in while work takes place. Crescent expects to be producing about 42,000 bd while the work is going on, and when it has finished, early next year, the four wells should be producing about 50,000 bd.

Because of the very tough operating conditions the cost of production is estimated at around \$2.50 to \$3 per barrel, compared with, for example, \$1 per barrel on the Abu Dhabi Marine Arcas concessions. But the oil is of very high quality with only 0.6 per cent sulphur content, which can command a high premium, and Crescent says its operation is profitable. The oil is sold direct to the shareholders in the consortium and is stored in a moored tanker which has a capacity of 650,000 barrels.

Swap

Almost all the oil goes to the U.S. but in the past some has gone to Japan under swap arrangements between companies. No oil is used in the Emirate and the quantities of associated gas are too small to be worth exploiting.

Nominally Sharjah comes under the UAE's membership of OPEC but like Dubai it has little official contact with the federal Ministry of Petroleum, and the Ruler makes his agreements with the oil companies independently. The Emirate's oil administration consists of only six people. With the Emirate anxious to encourage exploration and production in areas which are often difficult, there is no question of participation agreements.

Crescent is concentrating on

developing its existing field and exploration elsewhere is not contemplated for the present. Other oil-bearing structures are thought to exist inside the company's concession area, and one may be in the 4 km. wide corridor whose ownership Dubai has claimed. But the Emirate believes that no future offshore discoveries will be subject to the kind of revenue sharing agreements in force on the Mubarak field and should therefore be of considerably greater financial benefit to the Government.

In the area relinquished by Crescent the new concession- aire, Houston Oil and Minerals, has made seismic studies and is expected to start drilling early next year.

Meanwhile, onshore, Nickins Oil and Gas, also from Houston, has done seismic work on an area known as Sharjah West, brought in drilling equipment which can drill to 25,000 feet and is expected to start operat- ing shortly. Earlier this year the previous concessionaire, Crystal Sharjah, gave up its con- cession in face of high drilling costs, after attempting to get production from an old well drilled by a previous operator. Exploration is difficult in the area near the mountains but there have been oil shows in this region in the past. So far, however, Abu Dhabi is the only onshore producer in the UAE.

The fourth company operat- ing in Sharjah is Reserve Oil and Gas, which holds the con- cession for the whole east coast of the UAE, divided between Fujairah and Sharjah. The seismic work has been done and the company is expected to start drilling next year.

J.B.

Mini-city project

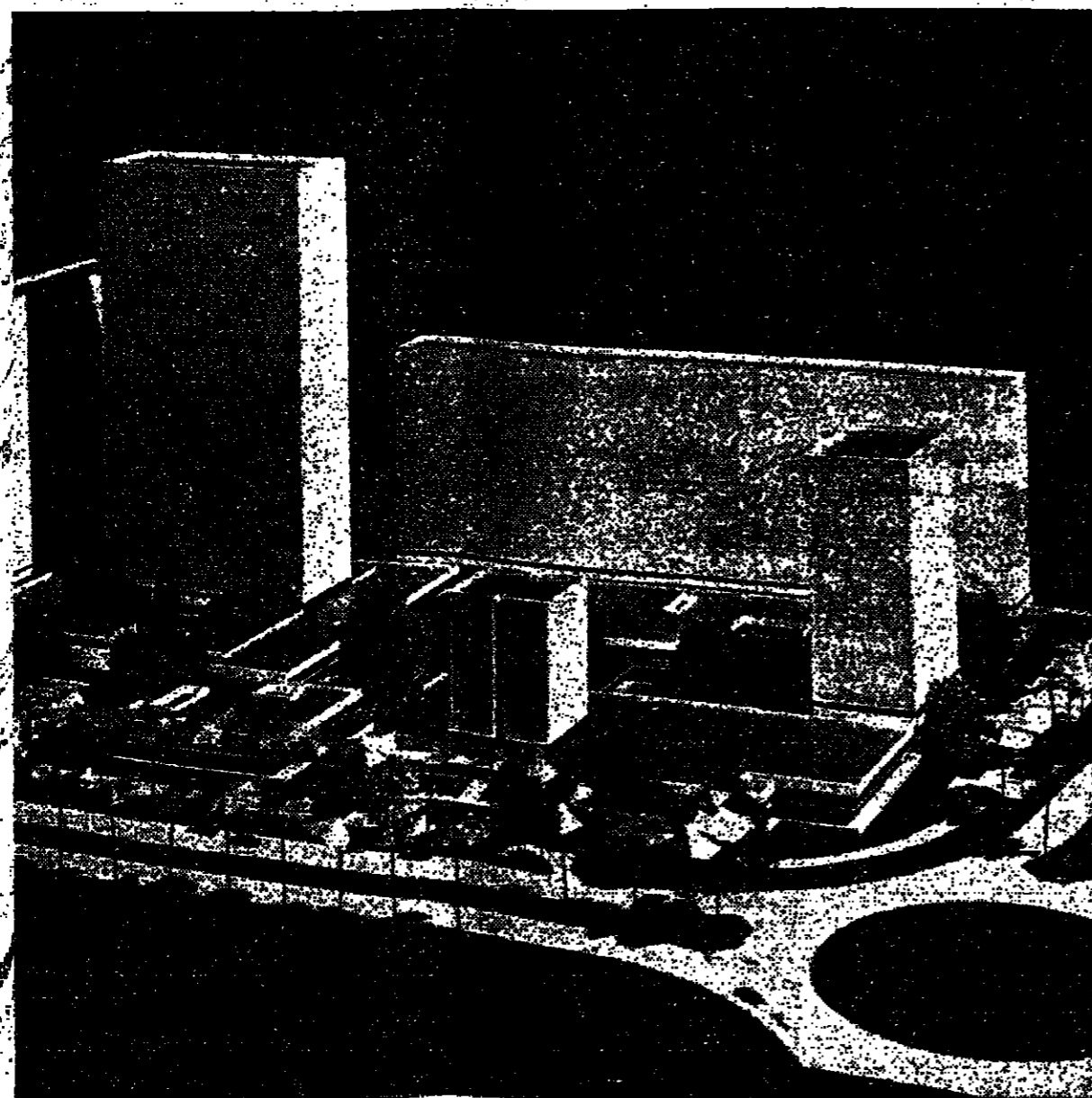
de Goulle centre in Sharjah is one of the projects in the Gulf region. In its final form be a mini-city where 15,000 people will live 'self-contained community with all its needs he complex. It will have five high-rise blocks at from nine to 40 stories, linked by a ground 'canine complex of air conditioned walk- banks, boutiques and foodshops. "It will be the Gulf" say the developers.

age of construction will comprise two of the foreground of the photograph below, one th with 8,000 sq. m. for shops and 4,000 sq nd second, on the right, 15 to 18 storeys high m. of space. Estimated cost is Dh.30m. No the whole centre can be given as yet, but at building costs, the five block centre is ex- in the region of Dh.300m, at least. The time construction on the other three main taken at a later stage when the economic mrate can be more accurately assessed. project is being developed by ADREGO

(Arabian Development Real Estate Company) which com- prises the Renault Development Overseas Corporation, and a number of Kuwaiti and Lebanese interests including the Beirut-based Investment and Financing Bank S.A.L., and local merchants of Sharjah. The Sharjah Government itself has taken 20 per cent. The centre is being designed by a prize-winning French architect, Jean Dubuisson.

Perhaps the most exciting prospect in the centre is that foreign companies may be able to buy space in the blocks. The developers have not yet decided whether to sell or rent the office accommodation, but under a new law which should come out shortly in Sharjah foreigners would be able to buy office space.

At the moment, though, the whole project has been held up by the Dubai/Sharjah border dispute, for Dubai has been claiming the land it is built on. Until the dispute is finally settled by the Supreme Council, piling work on the first blocks has been halted. In the meantime the company estimates that building costs are going up at the rate of 2 per cent a month, and that already they have lost Dh.6m. in delayed returns. The developers are now seeking compensa- tion. K.B.



United Arab Emirates

(ū-nī'-tīd ā'-rāb ē-mīā'-rāts)

United Arab Emirates (ū-nī'-tīd ā'-rāb ē-mīā'-rāts)

A group of autonomous emirates along the Gulf coastline, one of the world's richest and fastest developing areas, with great trading potential. Standard Chartered Bank is there.

In Sharjah we established our first Chartered Bank branch eighteen years ago and have just opened our second branch in this important trading area.

In the United Arab Emirates we have a total of nine branches which offer a wealth of knowledge on market conditions, and as part of a global network of 1500 Group branches and offices they provide the essential link that ensures you have the same bank working for you here and overseas, saving you time and money.

Ring Eric Bower, our Business Development Manager, on 01-623 7500, Extension 2321.

Standard Chartered Bank Limited
helps you throughout the world

Head Office: 10 Clements Lane, London EC4N 7AE

Assets exceed 16,000 million

ميناء الشارقة

Sharjahport

Port Khalid, Sharjah U.A.E. General Arrangement

Scale 1:5000

Sharjah Ports

For faster access to markets of the Gulf

The Seaports of Sharjah are being developed to handle the urgent needs of the Gulf today - and are expanding for the needs of tomorrow.

The vital strategic position of Sharjah - Gateway to the Gulf - made it a key centre of maritime commerce in the 19th century. Now these same advantages mean shorter round trip voyages for operators to the Gulf, plus faster turn around.

At Sharjah's Port Khalid, the first dedicated container terminal in the Gulf was opened in August 1976. The Port provides two container cranes, specialised cargo handling equipment and full capability for FCL or LCL Traffic. Sharjah

already has regular liner service links to and from Britain, Europe, the USA and the Far East. Port Khalid's other new berths and sheds will shortly be able to handle Ro-Ro, heavy lift, palletised and conventional cargo from vessels up to a maximum draft of 30 feet.

Before long, vessels can save even more time reaching the Gulf. On the East Coast of Sharjah at Khor Fakkan, we are building a deep water container terminal for trans oceanic container ships with draft of up to 40 feet. Within 18 months Khor Fakkan will bring the markets of the Gulf closer by 160 nautical miles - liner vessels can stop short of the congested Straits of Hormuz.

The Seaports of Sharjah offer full port services and room to develop port related industrial and commercial projects that the Emirate of Sharjah is pleased to encourage. First class highways and the developing trucking services of the UAE can open up other Middle East markets.

The Seaports of Sharjah are managed by Seatrains Gulf SA - a subsidiary of Seatrain Lines Inc., of New York, with years of experience in port management and container port operations.

If you want to know more about saving time and money shipping to the Gulf, contact:

Sharjah Port Authority
PO Box 510, Sharjah, U.A.E.
Telex: 8138 SEAGUL SH
Telephone: Sharjah 24242

Sharjah Container Terminal
39 Dover Street, London W1
Telex: 28598
Telephone: 01-493 5547

SHARJAH IX

Most businessmen venturing for the first time into foreign parts are concerned to know the broad legal framework of the country or countries involved. The article below sets out the system they will find in Sharjah in particular, and in the UAE generally.

Business law

undoubted constitution for an initial period of five years. With the advent of federalism, the seven individual Emirates (each previously a separate autonomous entity) must neverthe- less surrender part of their sovereignty to the new federal government. All laws, regulations and custom concerning the federation were ratified and confirmed by those powers not transferred by the provisional constitution to the new federation were and are expressly reserved for the individual Emirates.

Legislate

In the interim, the individual Emirates may still legislate within certain of the areas prescribed for the federation pending the promulgation by the federal government of its own legislation.

On expiry of the initial five-year period of the provisional constitution on December 2 last the seven Rulers, sitting together as the Supreme Council under the chairmanship of the President for the time being, HH Sheikh Zaid bin Sultan Al Nahayan, Ruler of Abu Dhabi, opted to extend the life of the provisional constitution for a further five years to allow a permanent constitution to be drafted in keeping with the needs and requirements of the United Arab Emirates and its peoples.

It may readily be seen therefore, that the Emirate of Sharjah, although part of the Arab Emirates, retains a substantial degree of sovereignty and a separate body of law, together with the capacity to promulgate new legislation within the jurisdiction reserved to it—and indeed in other spheres where federal legislation has not yet been forthcoming.

Within the Emirate there are still two distinct jurisdictions, each exercised by a separate system of courts, the Shari'ah (Islamic) court and the civil courts. In theory at least, an attempt to define the precise limits of each of these must meet with a number of difficulties, but in so far as a provisional generalisation can be made, it

may be said that the first extends (by law or by practice) to disputes or matters arising between local citizens and matters touching Islamic personal law, while the second extends to all other matters.

It will thus be appreciated that for the most part the body of law with which a businessman from abroad is most likely to be concerned is that administered by the Civil Courts of Sharjah. Proceedings in the first instance normally consist of the hearing of the parties and their evidence by a single judge sitting alone without a jury. A party may, of course, be represented by legal counsel licensed by the Ruler to practise before these courts. An appeal against the judgments given in the first instance goes to the Appellate Court, which is the Supreme Court for the Emirate. An appeal is made by the submission by the parties of memoranda stating their arguments, memoranda which are normally drawn up and settled by local counsel. No further evidence is normally taken unless requested or required by the court. The decision of the Appellate Court is final and binding.

The applicable law in each of the above jurisdictions is similar to the extent that the basic law is the Shari'ah Law of Islam. The principal difference however is that while the Shari'ah Courts look more to the strict principles of Islamic jurisprudence in arriving at their judgments, the Civil Courts can, and do, where no express legislation exists, seek assistance from local usage and custom and (in accordance with the principles of natural justice, law and equity to which they are directed) from the general body of law and jurisprudence obtaining in other jurisdictions, notably Jordan, Egypt, England and France.

As for enacted law, before the formation of the United Arab Emirates, very little such law existed in the local jurisdictions, largely because of the lack of any great need. Towards the latter days of the British presence in the area, however, the individual States (including Sharjah) did adopt a number of laws inherited in part from the British jurisdiction, though in the commercial field this was limited largely to a law relating to contracts.

Since the advent of federation there has still not been a great deal of new legislation introduced which has direct bearing on the commercial world, principally because most important legislative power in this field is now vested primarily in the federation, while the federal government for its part has been largely preoccupied with organising its own administrative and executive machinery as well as establishing its precise constitutional status.

Nevertheless, some federal law has been introduced, notably the U.A.E. Currency Board Law 1973 which is designed to promote and foster a sound banking and financial system in the national interest by controlling and regulating the establishment of financial institutions. It is understood that this law is currently being revised and that a new law may be promulgated in the near future establishing the Currency Board as the central bank and extending both its activities and its degree of control over banking and monetary matters generally throughout the Emirates.

There is at present no exchange control and as yet none is foreseen. Additionally, while the federation has power to impose taxes, to date the only tax legislation in force in Sharjah is the Income Tax Decree 1969 which, strictly speaking, imposes a liability to tax on all bodies corporate wherever incorporated carrying on business in Sharjah. In practice, however, this was designed to and does in fact apply only to oil-producing companies.

In other of the Emirates, similar decrees are also applied generally to banking concerns, but in Sharjah no tax is levied upon banks operating there. In order to enable bodies corporate, whether incorporated in Sharjah or elsewhere, to clarify their position under the above tax law, it is normally possible to obtain certificates of exemption from tax payable thereunder.

In addition, it is the declared policy of the Ruler actively to encourage all serious parties interested in doing business with Sharjah or in establishing a creative business enterprise in the Emirate. Moreover, a variety of incentives can be and are made available by the Ruler to persons intending to make a

positive contribution to the commercial growth and development and to participate in the fortunes of the area and within practical limits the Ruler endeavours to remain accessible to all. The efforts and energies expended in this regard over the years since his accession are self-evident and the legal climate and general attitude in all spheres, including those where executive and other permissions and licences are required, are geared to this end.

In particular, a foreign businessman should nowhere find distinctions being drawn between local and foreign interests, all being treated essentially on an equal footing. The existence of a detailed contract law based on internationally known and established Common Law principles is also a factor of comfort and reassurance to the businessman and it is thought that other laws may be being looked at to see how these might also be adapted to this end.

Turning to a closer look at the first group of foreign businessmen mentioned earlier—those seeking to do business with the area—their principal concern is, understandably, what their position would be in the event of any dispute or difficulty arising in a contract which they have negotiated in the Emirate. This raises questions of the enforceability of contracts, the language thereof, registration, the validity of a choice of foreign law and arbitration and the impartiality of the judiciary.

Obviously these are questions of some complexity with which it is difficult to deal adequately in a relatively short article. In principle, however, it may be stated that commercial contracts properly drawn and upon which advice has been sought in advance will be respected by the local courts before which any disputes would normally come. In line with what has been said above, the courts in Sharjah may reasonably be expected to apply modern principles of civil law to uphold the customary provisions of most commercial contracts and will likewise normally respect an express choice of law as well as of arbitration, whether domestic or foreign.

At the same time, it will be appreciated that the courts of Sharjah, in common with courts elsewhere, will resist any obvious and blatant ouster of their jurisdiction. It may also be taken as an essential tenet of the applicable law that a contract itself constitutes the law governing the relationship between the parties and is to be honoured and enforced in accordance with its terms. The impartiality of the judiciary is to be respected and admired.

Presence

Looking to the second category of foreign businessmen—those seeking to establish a physical presence in the area, whether through a branch or the forming of a local firm or company—there are at this time no restrictions on foreigners coming into Sharjah and, indeed, every encouragement is given them, though one may find additional encouragement where a foreign party is prepared to join hands with a local party. While not mandatory, this is often to be recommended. In the long term in particular, it deserves careful consideration.

In all cases where a locally incorporated limited liability company is not required, the procedure of coming into the area is first by the establishment of a physical presence by securing locally available accommodation (usually in the form of a flat), whereafter application may be made to the Sharjah municipality for the issuance of an appropriate municipal licence, which is normally granted upon payment of the prescribed fees, usually in the region of 20 per cent. of the annual rental of the premises taken on lease. Registration is also required with the Chamber of Commerce and Industry and with the Federal Register of Commerce, to which additional but essentially nominal fees are payable.

Municipal and other licences and registrations are on a yearly basis and require to be renewed on January 1 each year. In certain fields, an additional approval is required from the appropriate authority before such licence will be issued, for example, in the case of lawyers, doctors, dentists, architects, engineers, and the like, whose professional qualifications require to be vetted by the body responsible.

As regards the formation of limited liability companies, there at present exists nowhere in the United Arab Emirates

Why not appoint SHIPCO as your Agents?



شركة التاركة للملاحة الحرة
Sharjah Shipping Co. Ltd.

SHIPOWNERS, AGENTS AND CHARTERERS

Head Office: Sharjah, U.A.E.

Offices at: Muscat, Ras-al-Khaimah, Dubai, Abu Dhabi, Dammam, Karachi, Bombay

| | |
|--|---|
| Shipowners | Regular Service Far East/India/Gulf/Africa |
| Agents | Specialist & qualified staff to attend your vessels & expedite discharge |
| Other activities of the Group include: | |
| Marine & Civil Engineering | GULF MARINE SERVICES Ship repairs, civil engineering construction & erection |
| Marine Consultancy | INTERNATIONAL MARINE CONSULTANTS Cargo Surveys, Off-hire ship surveys by experienced Masters/Chief Engineers |
| Trade | SHARJAH SHIPPING CO. LTD. Marine Stores suppliers—including SIGMA Paints |
| Travel | ARABIAN TRAVEL AGENCY Airline Agents, Crew Repatriation, Hotel reservations & holiday arrangements |

For further information contact:

SHARJAH
Sharjah Shipping Co. Ltd.,
P.O. Box 1477, Sharjah,
United Arab Emirates

Telephone: 24411/3, Telex: 8024 & 8097 SHIPCO SH.
Cables: SHIPCO SHARJAH

LONDON
Sharjah Shipping Co. (U.K.) Ltd.,

Church Hill House,
14, Thackeray Close,
London SW19 4JL
Telephone: 01-946 6886
Telex: 929391 SHPCO G
Cables: SHIPCO LONDON SW19

SINGAPORE
Sharjah Shipping (Singapore) Pte. Ltd.,

Maxwell P.O. Box 937,
No. 6 Telok Ayer Street,
Singapore-1
Telephone: 912133/912447/
912430
Telex: 24604 SHIPCO
Cables: SHARJAHCO
SINGAPORE

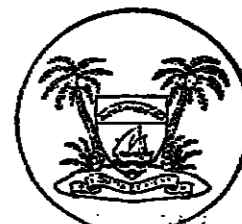
The British Bank of the Middle East

A Member of The Hongkong Bank Group

United Kingdom
Near & Middle East
India
Switzerland

Branches in SHARJAH
Sharjah Main Office
and at Khan,
Sharjah Suq, Hisn Diba,
Kalba, Khor Fakkan
and throughout the
United Arab Emirates

Head Office
99 Bishopsgate
London EC2P 2LA
Tel: 01-638 2366



Sharjah Container Terminal
container port
in U.A.E. and
way to the Gulf



Shippers - benefit from the proven efficiencies and economic advantages of containerisation, by moving your cargo via Sharjah Container Terminal to destinations throughout the United Arab Emirates and the Gulf.

purpose-built Container Terminal in the JFCL and LCL containers as well as racks.

Y mechanised cargo handling.
50 sq. ft. transit sheds for container
and packing.
Yon-roofing of cargo to U.A.E. and
markets.
Management and operation by
top experts in this specialist industry.

ved via SCT include:-

nations, Sharjah, Dubai, Abu Dhabi,
an, Umm Al Qawain, Ras Al Khaimah,
n, Fujairah, Buraimi.

destinations, Muscat, Umm Said, Doha,
Johor, Dhahran, Dammam, Ras Tanura,
rah.

rmation contact:-

ner Terminal, P.O. Box 225, Sharjah,
irates. Cable: "Gulfamer" Sharjah, United
Tel: Sharjah 24201/5. Telex: 8143.

ssignation, 34 Doyer Street, London W1X 3RB
677 Telex: 26598.

Your business in the Gulf needs a local bank with international expertise and servicing. Right? investbank. U.A.E.

investbank

Head Office: SHARJAH
Al Omra St. Tel: 25391/2
P.O. Box 1885 Telex: INVEST 8063 SH
ABU DHABI
Khalifa St. Tel: 24593/4/5
P.O. Box 2875 Telex: INVEST 2665 AH
INVESTMENT BANK FOR TRADE AND FINANCE L.L.C.

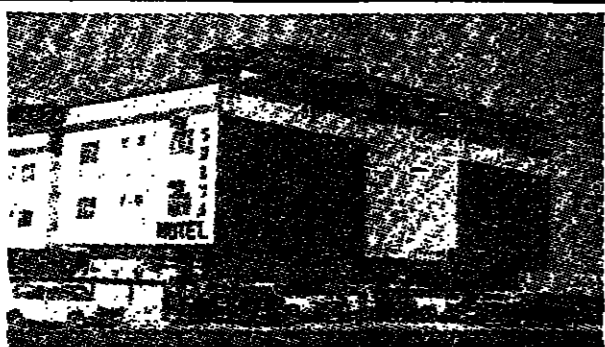


DAFCO
دافكو

Contractors:—

Civil & Building
Ready Mixed Concrete
Block Making

P.O. Box: 515
Tel: 22777/8
Telex: 8106 SH
Cables: DAFCO
Sharjah, U.A.E.



SHEBA HOTEL

P.O. Box 486, Sharjah, United Arab Emirates
Tel: 22522/22523/22554 Telex: 8053 Sheba SH

Gray Mackenzie in Sharjah

Gray Mackenzie & Co. Ltd have been established in Sharjah for more than 50 years, as part of a network of offices throughout the Gulf.

Services available include: Shipping Agents, Travel Agents, General Merchants.

Contact the Head Office at 40 St. Mary Axe, London EC3A 8EU.
(Telephone: 01-283 4690; Telex: 885395) or the Sharjah office
(Telephone 22340) or Khor Fakkan (Telephone 351).

Gray Mackenzie
and Co Ltd

A Member of the Inchcape Group

EDC

SHARJAH, UAE
P.O. BOX 1247
TEL: 23535
TELEX: BUSCON
TELEX: 8127 SHAMS SH

مجموعة التطوير الصناعي والتجاري

INDUSTRY &
BUSINESS
DEVELOPMENT
CONSORTIUM

MEMBER COMPANIES IN: UAE - BAHRAIN - KUWAIT - LIECHTENSTEIN - OMAN

Sharjah aims to attract tourists as well as businessmen to the new hotels it is building in the capital. It is also exploiting the fine mountain and coastal scenery on the Gulf of Oman. But the very high cost of living is a serious disadvantage.

Tourist efforts



In a custom to ward off evil spirits, Sheikh Abdul Azziz, the Ruler's brother and a leading business man, pours coconut milk into the foundations of the new Rolla Hotel.

ON THE surface there appear to be insurmountable obstacles to developing tourism in Sharjah. First, the federal Government does not issue tourist visas, second, most cities in the UAE are concrete jungles and construction sites, and third, hotel prices must be among the world's highest.

Yet to demonstrate its seriousness about tourism, the Sharjah Government recently commissioned Lufthansa to assess the possibilities for tourism in the Emirate. The study is to cover Sharjah town itself, the oasis village of Dhaid on the road to the east coast, some ancient sites at Milehah, and the coastal towns of Khor Fakkan and Dibba. The airline will also assess prospects for specialised tours from Europe, the possibilities of a hotel training school in the area and exactly what Sharjah has and the most effective ways to sell it.

The early days of the boom in the UAE can be seen everywhere in ugly, rapidly thrown up multi-storey blocks; construction debris lies everywhere. Only now that some cities are beginning to take on austere, unlovely shapes are the Rulers beginning to take an interest in urban planning. Nowhere is this thinking more advanced than in Sharjah which is fortunate in starting development later than its neighbours, and where the main town has been strictly divided into "green" belt areas and industrial zones. The Ruler takes a highly personal interest in this aspect of development, and even has his own palm tree cultivation farm, from which he takes trees to plant in the many streets currently under construction.

Sharjah itself is undergoing a veritable boom in hotel construction, unmatched in any other Emirate. No less than 16 hotels are underway, some already in the final stages of construction. The first to open will be the French run Novotel in January, 1977. Situated right on the beach, the hotel is a long two-storey block consisting of 139 rooms.

However, perhaps the most exciting project in Sharjah is the Marbella Club, which is to be run by Prince Alfonso de Hohenlohe, who runs a famous club of the same name in Spain. The club has been designed by Prince Alfonso himself and his aim is to create a "lush jungle" in a hostile desert. Some 28,000 trees and shrubs are being imported, carefully chosen by Blakedown Landscapes of Kidderminster. Each cottage in the complex will be coloured to echo the tone of the plants and flowers which border it, and each of the 50 will be a different colour. The interiors will reflect the lushness outside, and in the clubhouse, which serves as a main building, there will be restaurants and private dining rooms for small conferences and receptions. The Club will also have indoor tennis and a jetty for power boats, and the whole complex is due to be finished by July next year. With its acacia and tamarind trees and coconut palms it could be the lushest spot in the entire Gulf—certainly the most luxurious and charmingly designed. Sadly, the project has seen a rash of applications from companies and merchants wanting to take up permanent residence in the Club, though the owners are hoping to retain a number of rooms for visiting businessmen.

Other major projects under construction are the 278 room Holiday Inn and the Sharjah Intercontinental with 380 rooms. Finance for the first was raised by a syndicated loan between a number of Sharjah banks, and it is to be built by Conforce, Gulf, an association of local interests and a Pakistani company. Consulting engineers for the project are Brown Crozier Wyatt of London. Project managers for the Intercontinental are Bechtel, and when completed this 12 storey hotel will be located on a seaford site and be equipped with bowling, alley, swimming pools and restaurants.

The other two Trust Houses Forte ventures in Sharjah are the Gulf Star, which will be a first class 250 room complex on the beach, and the Rolla Palace which will be located downtown and is designed as a middle standard hotel. Air France is far advanced on its beachside project, the 230 room Meridien Hotel, which is due to open at the end of next year. Lebanese and Kuwaiti interests are combining to build a second hotel in Sharjah, the Carlton Towers, a complex of 250 rooms. The Indian hotel company, Oberoi will be managing the Zhara Square hotel, a project of 100 rooms. Apart from these projects, there are four other private ventures which will bring the total number of rooms being created in Sharjah over the next two years to over 3,000.

Price

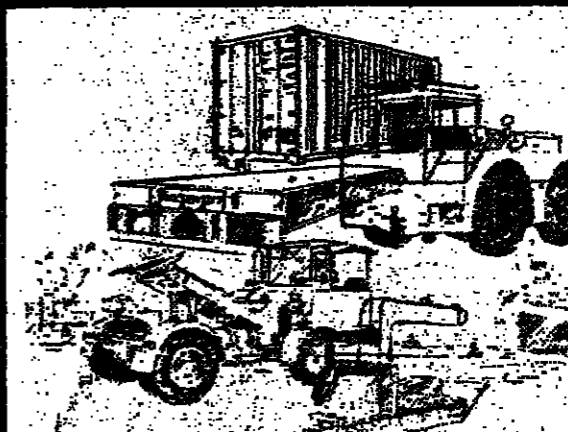
One significant aspect of the plans is that some consideration has been given to the ordinary businessman, who until now has been forced in most Emirates either to stay at very expensive top class hotels or end up in a very low class dive in the snuk. Four of the hotels are designed for the middle range though this is hardly reflected in the price. Room rates envisaged at the moment are around Dh200 (over £31) a night, while de luxe hotel prices start at Dh250.

Hotel prices might prove to be the hardest obstacle to overcome in Lufthansa's hopes of encouraging tourism in the Emirate. And with all the hotel projects under way, not only in Sharjah but in nearby Dubai, sceptics are gloomily predicting

that there will be over-capacity. Yet if business booms like it is at the moment in the UAE, there seems little doubt that they will have healthy occupancy rates. The Lufthansa experts have close ties with Dr. Tigges Fahrten of Cologne, one of the largest up-market tour operators in Europe, and they hope that some arrangement can be made with Sharjah hoteliers to encourage European tourists. There are even hopes of a tourist fare being negotiated, for as every businessman knows, airfares to the Gulf are among the highest in the world.

Among the projects being considered to attract tourists are a rest house and restaurant in the oasis of Dhaid, where camel races and bedouin-style accommodation could be laid on. The possibilities of golf courses, flying schools and water sports are being considered for the Khor Fakkan hotel projects, and there are thoughts of opening the now defunct small airstrip there so that private planes can make use of it.

Whatever arrangements can be made with hotels or airlines, Sharjah will remain strictly for the up-market special-interest tourist. The greatest potential may not lie in Europe but in the Gulf area itself. Thousands of expatriates and rich Gulf Arabs would be attracted to an area which combines beauty, freedom—for example, in some areas of the Gulf mixed bathing is not allowed (even in the top hotels), and problem-free access to alcohol, an undeniably important factor. Expatriates, traditionally, go home for holidays, but for a quick week-end away or for one of the many holidays in the year, Sharjah could provide the necessary welcome when there are scheduled airline services from Kuwait, Saudi Arabia and the other Gulf States. For Sharjah is green on the coast and the plans suggest that it is creating a number of hotels which do not follow the Gulf norm of concrete and glass boxes. With its liberalism and flair, Sharjah could have a tourist future.



MOBILISING THE MIDDLE EAST

As the most experienced suppliers of cargo and materials handling equipment to the Arab States, we pride in our contribution to the development of the Gulf Ports and Terminals.

The world's leading suppliers of integrated systems handling all types of cargo:
— Elevating and Drawbar Trailers — Containers — Rollers — Tractors — Cargo Lashings — Industrial trailers up to 200 tons capacity.

RTS GROUP
ROLLING TRANSPORT SYSTEMS LTD.
ROLLING TRANSPORT SYSTEMS (OVERSEAS) LTD.
MAFI (UK) LTD.

GRAHAM HOUSE PANNELLS COURT,
SILVERDALE LONDON, W12 6LH
TEL: 01-874 0000 FAX: 01-874 0001

SAWWANS

CONTRACTING & TRADE

We are a medium-sized local contracting company employed in the building industry, and we would be interested in receiving enquiries regarding joint venture foreign companies. We would also welcome enquiries from manufacturers of high-class sanitaryware, galvanised piping and fittings.

Cable: SAWWAN Phone: 22979
Telex: BAHAT 8000 SH
(For attention Sawwan Contracting & Trade)
P.O. Box 600 SHARJAH
UNITED ARAB EMIRATES

SAWWANS
CONTRACTING & TRADING

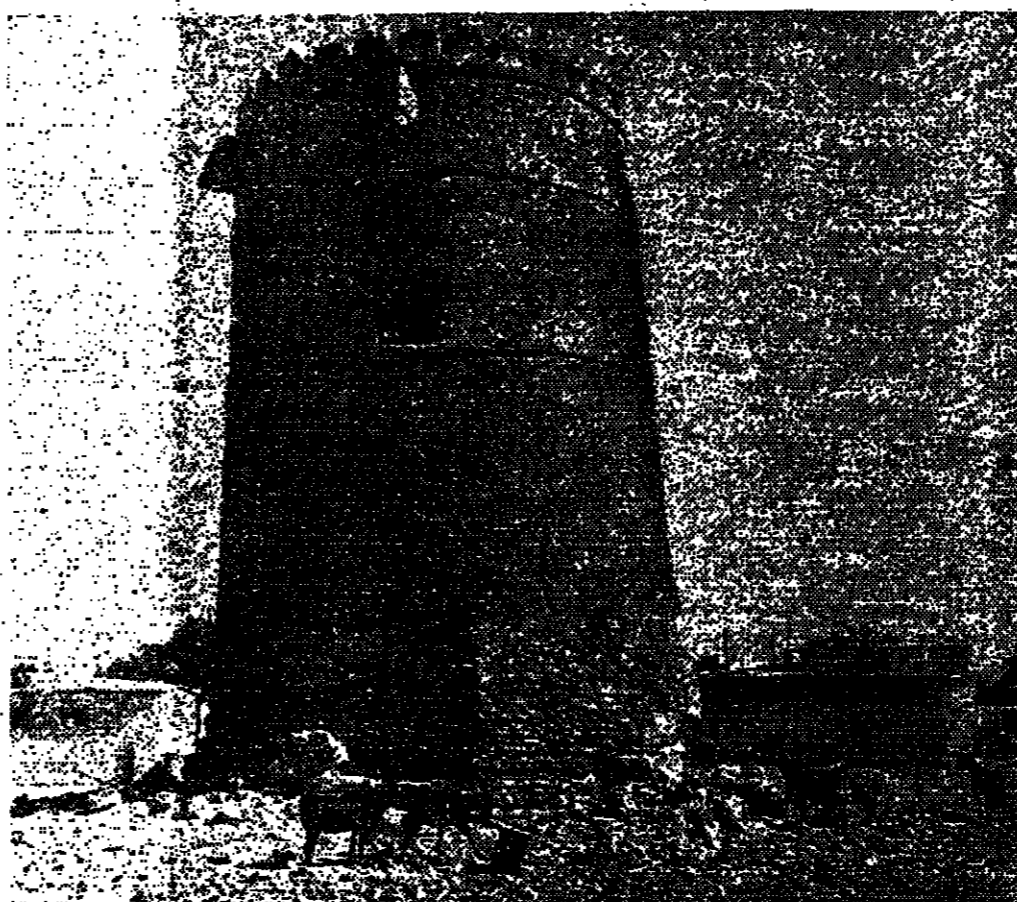
GULF AGENCY CO. (SHARJAH) LTD.

P.O. Box 435
Tel: 22163
23503



Telex
com
C
Conf
SH

Shipping, Clearing & Forwarding;
Trading, Packing, Deep Sea
Diving—Agents—North
American Van Lines
— Associates all over
the Gulf



An old fort on Sharjah beach.

شارجاء من الداخل

A major change in the Cabinet's role

I find two reasons for the recent change in the role of the Cabinet. The first is the fact that the Cabinet has been portrayed as a body which springs from the Conservative Party and even tax proposals. The second is the fact that the Cabinet has been portrayed as a body which springs from the Conservative Party and even tax proposals.

The other innovation, almost certainly unintended by the Prime Minister or the Chancellor, has been that the whole discussion has taken place in a blaze of publicity. Not only have the positions of the individual Ministers been plotted in the Press but the whole course of the argument has leaked out. In addition, a large number of people who normally stand on the sidelines of current policy-making have been sucked into the argument—Labour backbenchers, academics and journalists. Politicians are always calling for a Great Debate on this or that—mainly as a way of putting off having to make up their own minds—but apart from the Common Market this has been the nearest we have come for many years to having one.

How has all this come about? Well, so far as the publicity is concerned it results mainly from the other factor. If you open up an intensely political subject like economic strategy to a body of 24 men you can hardly expect to keep the seal

of the confessional over their deliberations. As the Houghton Committee's recent report on the security of Cabinet documents rightly (though nervously) remarks: "When one's views are being disputed by one's colleagues in the Cabinet, the temptation to drop a word to a back bench here or a journalist there is very real", and when the dispute is spread



Cabinet debaters: Mr. Dell and Mr. Prentice (left) from the Treasury and Mr. Lever and Mr. Crosland (right) from the anti-deflationists.

over so many meetings it is a temptation which someone is going to find irresistible. It is for this very reason that Prime Ministers and Chancellors and Treasury mandarins normally make such frantic efforts to limit this kind of discussion. And the question is therefore why sound bureaucratic practice has not been followed in this instance. It is easy enough to answer that Mr. Callaghan wanted that way, being the kind of Prime Minister he is. But that does

not really get to the heart of the matter. The fact is that there are forces at work here which would probably have been too strong even for the most conventionally autocratic Prime Minister safely to resist. Looking at the matter as it were from the bottom of the Cabinet upwards one can distinguish one set of arguments, and looking downwards from



Cabinet debaters: Mr. Dell and Mr. Prentice (left) from the Treasury and Mr. Lever and Mr. Crosland (right) from the anti-deflationists.

the Prime Minister's viewpoint, another, but they all tend to the same conclusion. The Cabinet's most powerful motive for demanding a full debate is the disillusionment born of past experience. Having docilely accepted arguments from Mr. Healey during the last two years that were either falsified by events or are seen to have been tendentious in the first place, Ministers were not prepared to do anything more simply upon his say-so.

Nor is Mr. Healey himself the

only object of suspicion. Behind him stand the shadowy figures of the Treasury and the Bank of England who, being less visible, but no more successful in their forecasts and policy recommendations than the Chancellor, are now regarded by probably the majority of the Cabinet as both hostile and incompetent forces.



Cabinet debaters: Mr. Dell and Mr. Prentice (left) from the Treasury and Mr. Lever and Mr. Crosland (right) from the anti-deflationists.

question of sheer knowledge and understanding. Many Ministers have been round this course several times before, and they read with care a financial Press that is vastly better informed than it was 20 or 30 years ago. They are actually able, as their predecessors were not, to challenge Treasury assumptions and to probe effectively for the weak points in the Chancellor's assertions. But above all other considerations the most compelling has been sheer political

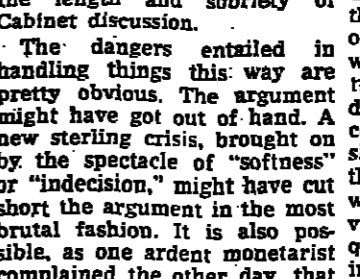
necessity. Every member of the Cabinet is aware that if the present package does not do the trick that will almost certainly be the end of the Government. Some of these feelings have undoubtedly been shared by Mr. Callaghan. Protests from Number 10 of the Prime Minister's undying confidence in his Chancellor need to be taken with a pinch of salt. If I read



Cabinet debaters: Mr. Dell and Mr. Prentice (left) from the Treasury and Mr. Lever and Mr. Crosland (right) from the anti-deflationists.

the dangers entailed in handling things this way are pretty obvious. The argument might have got out of hand. A new sterling crisis, brought on by the spectacle of "softness" or "indecision", might have cut short the argument in the most brutal fashion. It is also possible, as one ardent monetarist complained the other day, that if the operation had been conducted in the usual blizzard fashion the Cabinet could have been "bounced" into "accepting" a much more severe package; and if the package as finally

concluded turns out to be unconvincing to sterling-holders such critics will presumably be able to say that the whole operation has been a disaster. These risks have so far been justified by events. From a narrow political point of view the Government, I believe, has probably gained from the long drawn-out debate. There has been a certain amount of play between the Press with the divisions of Ministerial opinion, but (quite rightly) these have not



Cabinet debaters: Mr. Dell and Mr. Prentice (left) from the Treasury and Mr. Lever and Mr. Crosland (right) from the anti-deflationists.

on the whole been portrayed as breaking point splits with the probability of resignations to follow. The Cabinet itself does seem to have coalesced in the end around a reasonable compromise, which stands a fair chance of acceptance both by the IMF and the market as well as by the Labour Party and the TUC.

The interesting question is whether these results could have been achieved if the debate had been conducted in total secrecy. I would maintain that they could not—or at any rate that without a tremendous amount of leaking half the benefits of the discussion would have been lost. These benefits consist mainly in the education of outside opinion and its preparation for what was coming. A leading trade unionist told me the other day that the tremendous Press coverage of the whole discussion had in his opinion made all the difference to his members' willingness to take a rational view of the situation. It seems quite likely moreover, that international opinion has become much more aware of the subtlety and difficulties of the argument, considered as an intellectual problem for the British, and of its political ramifications.

After what has happened it seems unlikely that the relationship of Mr. Healey to his colleagues will ever be quite the same again. It may also be that the Cabinet discussions of the Budget will never revert to the old day before take-it-or-leave-it basis. It would be nice to think that henceforth there would be more openness of Government discussion and less nervousness about the mysteries of the Cabinet room. But I have my doubts.

Letters to the Editor

left. Against such a background it is in the best interests of the Government to minimise the impact of our strike record on the Government to consider equating "worker directors" with industrial democracy and both with the Labour Party. If we had a self-sufficient economy like that of the Americans, we could afford to be complacent about the incidence of strikes, and if we operated within a dynamic, expanding economy like that of the Germans, we could also afford the distractions of so-called worker directors. In other words, if we can afford neither Leonard Neal.

Flat 68, 24, John Islip Street, Westminster, S.W.1.

Social services spending

From Mr. John Giffon.
Sir—Joe Rogay (December 7) brackets need and output as best measure of economic activity. In so doing, he only adds to the confusion surrounding personal social services spending which he so rightly seeks to dissipate. The measurable items that he lists—attendance by health visitors, assistance with telephones, help with TV licences, children admitted to care, registered handicapped persons, meals on wheels and so on—give little more than an impressionistic idea of need. To take just one example: we know how many children were admitted to care, but we can only guess at how many ought to have been. The items have even less to do with output. They are not the results of the Eibn, we spend on the personal social services, they are inputs, not outputs. The fact that a lot of local authorities and spending pressure groups refer to such items as outputs does not make them so. The Department of Education and Science lists items such as pupil numbers and teacher numbers as "intermediate outputs." That, I suppose they believe, saves them from the embarrassment of having to admit that such figures tell us absolutely nothing about the value we may or may not be getting for the money we spend on education, any more than Joe Rogay's list tells us anything about value for money in the personal social services.

It is not that output measures do not exist. How about truancy rates for schools, or deaths by hypothermia among Gypsies? They are not ideal, but the main trouble is that those who administer our social services do not want to use them. Let alone look for better ones. They much prefer to go on equating inputs with outputs; that way, after all, the fewer judgments and greater spending.

John Giffon,
Centre for Environmental Studies,
22, Chandos Place, W.C.2.

Useless, dismal non-scientists

From a Senior Research Fellow, National Institute of Economic and Social Research.
Sir—The article by Mr. Basil Woods on "The useless, dismal non-scientists" (December 4) deserves a reply. He accuses all forecasters outside GKN of arrogance, lack of humility and breezy confidence and sums up his views by asking: have they no shame? Forecasters are often the first to analyse and study their past forecasts quite openly—the National Institute publishes regular post-mortems on its forecasts—and knows only too well that economic forecasts can be inaccurate.

Economics is not an exact science, like physics; Mr. Woods is right in saying that it is about people whose behaviour and reaction to economic change cannot be accurately foreseen. But he is not the first person to discover this, and if he ever went beyond the summary of the forecasts of the National Institute he must have seen that forecasters are not unaware that the economy consists of people.

Mr. Woods conveys the impression that he alone, together with his piece of sea-weed (which at least is a change from a crystal ball or a chicken's entrails), has been able to make more accurate forecasts—presumably not only for the U.K. economy but for the economies of other major industrial countries—than those of the professional forecasting bodies. We must take his word for it. In many other companies the practice is different. This is not to say that the economists employed in those companies uncritically accept one or other of the professional forecasts; these normally indicate the main assumptions made, and the areas of uncertainty, and it is open to the careful reader to come to his own judgement on these matters, and vary his forecast accordingly.

The forecasts are labour-saving for those company directors and business economists who do not wish to rely on sea-weed alone but are not in a position either to build up their own

North Sea oil recovery

From The Managing Director, Amoco (U.K.) Exploration Co.
Sir—The headline on Ray Dafer's article of November 26 proclaimed North Sea Resources Wasted. Claim Oil Experts. The more circumspect language of the article itself refers, however, to the claims of "two oil industry commentators." This distinction between commentators and experts should not go unnoticed. Heretofore, Professor Odell and Dr. Rosing have limited themselves largely to criticising the reserve calculations and estimates of others or of dealing with conjectural matters such as ultimate recovery of oil from the North Sea. Now, however, they offer to the public at £30 per copy, their own calculations of reserves for three specific fields, including the Montrose Field, operated by Amoco (U.K.) Exploration Company. Utilising data from a technical paper published by an Amoco geologist, the authors calculate potential Montrose recovery as high as 41.6m. barrels! Since all the Montrose data recited in Odell and Rosing's book are drawn directly from the Amoco geologist's paper, and since the map in their book appears to have been copied from the original paper, the reasonableness of Odell and Rosing's reserve estimates can be readily checked against the geologist's basic paper.

Although Odell and Rosing state that they have adopted the Amoco geologist's recovery factor of 40 per cent, their maximum recovery prediction actually represents 92 per cent of the total oil-in-place at Montrose! This is about twice the recovery to be expected. If Odell and Rosing were right, Montrose would be one of the most renowned fields in the history of the industry. Rather than what it is, a marginal North Sea oilfield.

How could Odell and Rosing be so far off? It would appear that their computer model assumed that the entire volume between the top of the structure map and an "average" water-oil contact at Montrose represented oil pay section—when, in fact, the Amoco geologist's report explicitly made

comprehensive picture of the contours of the British economy, or to follow in detail, from primary sources, economic events in a large number of other countries. It would indeed be rather a waste of resources if every large company, separately and on its own, went through the laborious process of building up a detailed picture of the course of world output and trade, and of constructing its own fully independent and detailed U.K. forecast.

G. F. Ray,
2 Dean Trench Street,
Smith Square, S.W.1.

Setting an example

From The Managing Director, Smith Brothers and Foster.
Sir—The Inflation Accounting Steering Group's recent publication on current cost accounting lists other publications available from the institute's publishers. One of them, "A Guidance Manual on CCA," is quoted as costing £6.25 or £5.25 if ordered before December 10. I presume the institute is determined to set an example in putting into practice the implications of CCA on pricing decisions.

J. F. C. Hodges,
North Beck Mills, Beck's Road,
Rephay, West Yorkshire.

GENERAL
The Queen and Duke of Edinburgh attend thanksgiving service for preservation of Canterbury Cathedral.
Dr. Henry Kissinger, U.S. Secretary of State, holds talks in London with Mr. James Callaghan, Prime Minister, and Mr. Anthony Crosland, Foreign Secretary, on question of Rhodesian settlement.
Press Council gives oral evidence to Royal Commission on the Press, Old Admiralty Building, The Mall, W.C.2.
Mr. William Rodgers, Transport Secretary, is guest speaker at Institution of Highway Engineers lunch, Grosvenor House, W.1.
Mr. Anthony Wedgwood Benn, Energy Secretary, speaks at Yeovil Conference Centre.

Labour Party dinner:
Sir Frederick Catherwood, chairman, British Overseas Trade Board, addresses quarterly meeting of North of England Development Council, Newcastle Civic Centre.
London Chamber of Commerce seminar on Fringe Benefits, Royal Festival Hall, S.E.1, 3 p.m.
National Union of Students winter conference opens, Blackpool.
Offshore International Exhibition, final day, National Exhibition Centre, Birmingham.
Unit Load Show ends, Wembley Conference Centre.

PARLIAMENTARY BUSINESS
House of Commons: Fisheries Limits Bill remaining stages.
OFFICIAL STATISTICS
Building Societies' receipts and loans (November). Usable steel production (November).
COMPANY RESULTS
Noverex (half-year).
COMPANY MEETINGS
Burgess' Products, Hincley, Leics., 12. Johnson and Fifth Brown, Sheffield, 12. Kunkin, 10. Belgrave Square, S.W., 10.30. Longbourne, 37, Mincing Lane, E.C.3. Palmerston Investment Trust, Westminster House, E.C.12. Patani Para Plantations, 18, Leadenhall Street, E.C.3. 10.45. R.C.F., Birmingham, 12.

OPERA
English National Opera production of A Night in Venice, Colston Theatre, W.C.2, 7.30 p.m.
BALLET
Royal Ballet dance Swan Lake, Covent Garden, W.C.2, 7.30 p.m.
London Contemporary Dance Theatre perform David and Goliath, Step at a Time, Sadler's Wells Theatre, E.C.1, 7.30 p.m.
SPORT
Tennis: BP Cup, Queen's Club, 10.30. Squash: Women's British closed championships, Northampton. Badminton: English national championships, Luton.

If you're so big, why aren't you famous?

Perhaps because of the way we think.

We don't behave like some monolithic bureaucracy. Instead, we encourage our BTR companies to do what they do best—minding their own business. We couple responsibility with authority, so the man on the ground hasn't got his head in the clouds.

And we're diversified, so we can minimise the risks and grasp the opportunities.

It's a philosophy that works—a 30% compound earnings growth each year over the past 5 years proves it—the facts are in our record.

Perhaps our fame will spread.

BTR Limited,
Silverdown House, Vincent Square,
London SW1. Tel: 01-834 3848.

BTR

COMPANY NEWS + COMMENT

ATV soars to £5.17m. at interim stage

NEARLY ALL divisions contributed to an advance in pre-tax profit from £2,025,000 to £5,169,000 by Associated Television Corporation for the half-year ended September 30, 1976.

In particular there were substantial additional profits from the feature film "The Return of the Pink Panther," say the directors. Sales climbed from £30.31m. to £42.27m. and the stated earnings per 25p share were more than doubled to 5.89p (2.56p). The interim dividend is raised to 2.275p net (1.85p). Last year the total payment was 4.2p from profit of £6.63m.

Reed International subsidiaries have a substantial interest in the company.

| Turnover | 1976 | 1975 |
|----------------|-------|-------|
| Pre-tax profit | 5,169 | 2,025 |
| Taxation | 1,000 | 1,000 |
| Net profit | 4,169 | 1,025 |
| Minorities | 15 | 15 |
| Attributable | 4,154 | 1,010 |
| Dividends | 882 | 774 |

comment

ATV has pushed its pre-tax profits higher by over £3m. thanks to a substantial return on more than 30 per cent. The contracting side was buoyant—industry advertising revenue rose by 35 per cent. In the period—and the record and tapes division also made some recovery helped by the Eurovision Song Contest winner "Save Your Kisses for Me." Music publishing also had a good first half. For the current half the exceptional film profits will be absent but contracting profits should be good at least until Christmas, and the record side should continue to improve. So, maintaining the normal seasonal bias, ATV looks on target for £9m. this year, for a prospective p/e of 5 at 57p, while the dividend recovery points to a yield of 14.9 per cent. At this level the shares are relatively attractive.

Statement Page 30

Mitchell Somers ahead 46%

A RISE of 46 per cent. in pre-tax profit from £102,000 to a record £150,000, is reported by Mitchell Somers for the six months to October 2, 1976. Overall prospects for the year remain good, says Mr. J. J. Thomas, chairman.

The interim dividend is increased from 0.43p to 0.55p net per 10p share. Last year's total was 1.28p from profits of £1.4m.

Half-year 1976 1975
Turnover 500 490
Profit before tax 150 102
Taxation 43 30
Net profit 107 72
Dividend 51 31

All sections are performing well, says Mr. Thomas, and exports, particularly to North America, have continued to grow.

The company forges and machines crankshafts and other components for a range of industries including marine pipelines and compressors.

| INDEX TO COMPANY HIGHLIGHTS | | | | | |
|-----------------------------|------|------|------------------------|------|------|
| Company | Page | Col. | Company | Page | Col. |
| Aeronautical & Genl. | 29 | 3 | Latham (James) | 29 | 2 |
| A.T.V. | 28 | 1 | Liner oConcrete | 29 | 3 |
| Baker Perkins | 30 | 5 | Littlewoods | 32 | 4 |
| Barclays Intnl. | 28 | 5 | Lloyds & Scottis | 30 | 7 |
| Braham Millar | 32 | 8 | London Merchant Secs. | 28 | 2 |
| British Tar | 30 | 3 | Lyons (J.) | 28 | 7 |
| Burnett & Hallamshire | 28 | 4 | Marley | 29 | 1 |
| Cadbury Schweppes | 28 | 5 | Mitchell Somers | 28 | 1 |
| Caird (Dundee) | 28 | 5 | Normand Electrical | 30 | 6 |
| Cattle's (Holdings) | 30 | 5 | North Midland Constrn. | 31 | 4 |
| Davenish (J. A.) | 32 | 6 | Pegler-Hattersley | 30 | 4 |
| Duncan & Goodricke | 31 | 1 | Ransome Hoffmann | 29 | 1 |
| Evans & Owen | 32 | 6 | Redfeare Nat. Glass | 29 | 3 |
| Fairdale Textiles | 28 | 4 | Routledge & Kegan | 29 | 3 |
| Fertiliser (B.) | 29 | 4 | Shaw Carpets | 28 | 8 |
| Graham Wood Steel | 31 | 3 | Sime Darby | 32 | 7 |
| Greencost Props. | 32 | 4 | Sterling Industries | 28 | 5 |
| Green Shield | 29 | 3 | Trafalgar House | 30 | 3 |
| G.U.S. | 29 | 3 | United Gas Inds. | 29 | 4 |
| Keystone Investment | 32 | 7 | W'hampton & Dudley | 28 | 3 |

LMS well up after six months

ON A LOWER turnover of £36.7m. against £38.33m. London Merchant Securities lifted pre-tax profits from £2.04m. to £2.65m. in the six months ended September 30, 1976, reflecting the benefit of interest savings arising from a substantial reduction in short-term debt.

Lord Payne, chairman, says that this improvement is being maintained in the second half and should permit an increase in the dividend total.

After a two year absence interest rates are being resumed with a payment of 0.375p net—the single payment for 1975-76 was 0.575p paid from profits of £1.66m. At this level profits represented a partial recovery from the depressed £2.98m. shown in the previous year. In 1972-73 profits were a record £6.46m.

The first half profit was struck after lower interest charges of £3.44m. (£1.03m). Providing for tax and minorities the attributable balance emerged at £0.84m. (£0.61m.) giving earnings per 25p share of 1.41p against 1.04p.

| | Six months | |
|-------------------|------------|--------|
| | 1976 | 1975 |
| | £000 | £000 |
| turnover | 96 764 | 92 771 |
| group profits | 6,096 | 8,091 |
| less interest | 3,444 | 4,827 |
| profit before tax | 2,652 | 2,064 |
| corporation tax | 1,415 | 906 |
| net profit | 1,237 | 1,158 |
| minorities | 297 | 345 |
| attributable | 940 | 813 |

comment

Progress by its industrial subsidiaries is the main reason for continued recovery at London Merchant Securities. In particular, Haddon-Oldham, the battery manufacturers, have raised profits by £1m. and £2.1m. nearly equaling the growth of Ever Ready. Interest charges are well down because disposals have enabled short-term loans to be reduced from £47.8m. in March, 1975, to £23.8m. in March this year. Since that time, at least another £6m.

W'hampton & Dudley 23% rise

ON TURNOVER up by 31.5 per cent. from £26.3m. to £34.86m., pre-tax profits of Wolverhampton and Dudley Breweries for the year to September 30, 1976, rose 23 per cent. from £4.21m. to £5.19m. Mr. E. J. Thompson, chairman, forecasts further continued growth in the current year.

Stated earnings are 15.4p (12.5p). The final dividend of 3.6374p net per 25p share lifts the total from 4.6685p to 5.13574p. Half-time pre-tax profits rose from £1.84m. to £2.26m.

| | 1976 | 1975 |
|-----------------------------|--------|--------|
| Turnover (incl. VAT) | 5000 | 5000 |
| Profit before tax | 34,837 | 26,494 |
| Tax | 5,185 | 4,213 |
| Extraordinary credits | 2,624 | 3,194 |
| Net profit | 179 | 253 |
| Minority interest | 3,684 | 3,279 |
| Attributable | 800 | 800 |

comment

The summer of 1976, which followed a very successful winter's trading, has produced record results for the 77 public houses and off licences of the group, which trade under the Bank's and Hanson's labels, says Mr. Thompson.

For a change, a 1976 beer story with no emphasis on lager! The growing favour of real ale is reflected in the fact that at

Wolverhampton and Dudley Breweries traditional milds and bitters sold well during the summer, notching up a 25 per cent. pre-tax increase. So the mid-term growth has been maintained, then a 3p a pint price increase and a strike at an important competitor, produced a similar result. Beer sales are proving resilient, the unemployment in the Midlands, and the increased penetration into working men's clubs and the pub improvement programme should mean further growth next year. At 103p the 23 per cent. increase in earnings brings the p/e down to 6.5, fairly low for the sector. The dividend yield is 3 per cent.

Upsurge at Burnett & Hallamshire

A JUMP from £22,702 to £1,05m. in group pre-tax profits is reported by Burnett & Hallamshire Holdings for the six months ended March 31, 1976, a turnover 25.5m. higher at £12,06m.

Earnings per 25p share are up from an adjusted 0.80p to 9.97p. The interim dividend is effectively raised from 1.6174p to 1.277p net per share for 1975-76 was equal to 2.32348p paid from profits of £1.87m.

The net profit was £0.5m. (£0.29m.) after tax of £0.55m. (£0.32m.).

comment

Burnett & Hallamshire's open-cast mining division can take credit for roughly half of the 68 per cent. rise in half-year profits. This reflects a continuation of the benefits from two new sites which first came into production in the second half of last year. The rest of the improvement stems from the increased market penetration of Hallam GT plus a substantial recovery at Hallam Polymers. The construction division has remained roughly unchanged so far and seems likely to do no better in the second half. All the same, the orderbook here is fairly strong and should take the group at least three quarters of the way through next year. Moreover, with a further boost expected from the two new mines in the second half, full-year profits should reach £2.1m. to cover a maximum yield of 6.9 per cent. at 59p, more than nine times that, and that, alone with a £1m. net cash surplus in the balance sheet, should provide adequate support for the shares.

Fairdale Textiles

WHOLESALE manufacturing, clothing and cloth merchants, Fairdale Textiles reports that for the half year to July 31, 1976, pre-tax profits fell from £160,509 to £137,412 on turnover £0.38m. lower at £2.17m.

Stated earnings per 5p share are 1.06p (1.25p) and the interim dividend is held at 0.5p net. Last year's total payment was 0.943p on profits of £235,030. First half tax takes £71,500 (£64,500) and £45,437 (£38,564) is retained.



Mr. Nigel Brookes, chairman of Trafalgar House Investments (standing), with Mr. Victor Matthews, chairman of the subsidiary, Cunard Steam-Ship. The group's figures were announced yesterday, showing an advance from £22.2m. to £33.6m. in the pre-tax profit for 1975-76.

DIVIDENDS ANNOUNCED

| Company | Current payment | Date of payment | Current dividend | Total dividend |
|-----------------------------|-----------------|-----------------|------------------|----------------|
| B. Ferrieman | 0.55 | Jan. 14 | 0.5 | 1.1 |
| Cattle's Bldgs. | 0.45 | Feb. 7 | 0.4 | 0.8 |
| Mitchell Somers | 0.55 | Feb. 7 | 0.43 | 0.98 |
| Keystone Investment | 0.5 | Feb. 4 | 0.4 | 0.9 |
| Baker Perkins | 0.87 | Feb. 19 | 0.4 | 1.27 |
| Fairdale Textiles | 0.8 | Jan. 31 | 0.88 | 1.68 |
| Shaw Carpets | 0.88 | Mar. 10 | 0.103 | 0.983 |
| Marley | 1.23 | Mar. 21 | 0.54 | 1.77 |
| Graham Wood Steel Int. | 0.56 | Mar. 25 | 0.56 | 1.12 |
| Burnett & Hallamshire Int. | 1.28 | Jan. 20 | 0.85 | 2.13 |
| United Gas Inds. Int. | 0.81 | Jan. 17 | 0.85 | 1.66 |
| Hongkong (Selangor) Int. | 0.34 | Jan. 22 | 0.17 | 0.51 |
| Associated Television Int. | 2.28 | Mar. 22 | 1.85 | 4.13 |
| Braham Millar Int. | 0.6 | Feb. 18 | 0.43 | 1.03 |
| Baker Perkins Int. | 1.65 | Feb. 11 | 0.55 | 2.2 |
| Shaw Darby Int. | 3.23 | Feb. 11 | 0.16 | 3.39 |
| Castledale (Klang) Int. | 1.85 | Feb. 9 | 1.68 | 3.53 |
| J. A. Davenish Int. | 3.65 | Feb. 9 | 3.3 | 6.95 |
| Killinghall (Rubber) Int. | 5.14 | Jan. 22 | 4.67 | 9.81 |
| Holyrood Rubber Co. Int. | 4.32 | Jan. 22 | 4.11 | 8.43 |
| London Merchant Secs. Int. | 0.33 | Feb. 1 | 0.21 | 0.54 |
| Lloyds & Scottis Int. | 2.13 | Feb. 2 | 1.97 | 4.1 |
| Normand Electrical Int. | 0.95 | Jan. 23 | 0.87 | 1.82 |
| Northern Goldsmiths Int. | 0.85 | Feb. 16 | 0.67 | 1.52 |
| North Midland Const. Int. | 0.85 | Feb. 3 | 0.65 | 1.5 |
| Pegler Hattersley Int. | 2.87 | Jan. 31 | 1.94 | 4.81 |
| Ransome Hoffmann Int. | 2.13 | Feb. 10 | 1.71 | 3.84 |
| Redfern Glass Int. | 3.07 | Feb. 10 | 2.94 | 6.01 |
| Routledge & Kegan Paul Int. | 1.0 | Mar. 18 | 1.0 | 2.0 |
| Sterling Inds. Int. | 0.5 | April 1 | 0.2 | 0.7 |
| Trafalgar House Int. | 0.21 | Feb. 4 | 0.1 | 0.31 |
| Val Reef Int. | 603 | Feb. 4 | 100 | 703 |
| Western Deep Int. | 458 | Feb. 4 | 90 | 548 |
| Wolverhampton Brews. Int. | 3.64 | Jan. 28 | 3.37 | 7.01 |

Dividends shown pence per share net except where otherwise stated. *Equivalent after allowing for scrip issues. †On capital increased by rights and/or acquisition issues. ‡Gross throughout. †Cents throughout.

Cadbury Schweppes £40m. medium loan

Cadbury Schweppes has arranged a £40m. of medium term money is expected to inject more balance in the group's borrowings. Heading the consortium of banks are Kleinwort Benson and Samuel Montagu. The other participants are Lloyds, Barclays, Merchant Bank, Midland-National Westminster, Chemical Bank, Credit Lyonnais, Deutsche Bank, Manufacturers Hanover Trust, Morgan Guaranty Trust, Grindlays Bank, The Royal Bank of Canada and Toronto Dominion Bank.

The group may also use some of the money to reduce U.K. currency borrowings, though it stressed that it was under no pressure to do so.

The loan, which is for a maximum period of ten years, will be all drawn down at once and it is not anticipated that there will be a disproportionate jump in the interest charge in relation to profits.

The last balance sheet for the year ended January 3, 1976, showed net debt of £71.8m. The

Sterling Industries

In the six months ended September 30, 1976, Sterling Industries—excluding Crewekerne Investments—improved from £231,000 to £261,000. The proportion of Crewekerne's profit attributable to Sterling was unchanged at 50.000.

Present indications are that profits will continue to run at about same rate as in the first half but that the final result will depend upon the value of dispatches, in particular relating to large contracts made by March 31, 1977.

The proportion of profits of Crewekerne attributable to the company for the year 1976-77 is estimated to amount to £170,000 before tax of £80,000.

Turnover of this engineering group was lower at £1.8m. against £1.99m. The profit was subject to tax of £36,000 (£12,000). The interim dividend is raised from 0.195p to 0.25p net—the total for the previous year was 0.7p paid from profits of £662,000.

Statement Page 30

Barclays Bank International

AS FORECAST at the interim stage the results from Barclays Bank International in the second half were not materially different from those in the first six months. Pre-tax profit, which midway was £41.71m. against £31.33m., reached £34.64m. compared with £72.34m. for the year ended September 30, 1976.

The increase in operating profit, from £72.82m. to £84.64m., is satisfactory, particularly since the majority of it is represented by genuine growth in business, says Mr. A. F. Tuke, the chairman. However, some advantage was gained from the decline in the rate of sterling against other major currencies, he points out.

Net surplus on realignment of exchange rates arising outside the company's normal trading activities amounted to £21.58m. against a deficit of £1.06m. last time. This sum has been added directly to reserves.

Caird (Dundee)

Due to the failure of one of its largest customer Caird Dundee

Lyons corrects overseas debt imbalance

FOLLOWING a series of sales of trading assets by Lyons to reduce the repayment of £15m. of its overseas loans and the switching of a further £60m. of borrowings into sterling, the group's overseas net assets now exceed the value of foreign currency debt by more than £20m.

Yesterday's half-time statement adds that this action "will also ensure that an adequate margin will continue to exist between our borrowing powers and the sterling value of our debts even if sterling were to deteriorate in future by the same percentage that it has done over the past three years."

Total borrowings are now in the region of £299m., of which £144m. is in foreign loans. It is stated that by the end of the financial year the total figure will be down to £220m., compared with around £240m. in the last balance sheet for the year ending March 26, 1976. Foreign loans are expected to be down to roughly £125m. Since the loans were arranged, sterling has slipped in relation to the dollar from 1.92 to 1.67.

Recent sales include the 55 hotels sold to Trust Houses Forte at the beginning of November for £27.6m. and Wednesday's disposal of the Wimpy franchise to the United Biscuits for £1m. and the sale of Odeley Incorporated, a U.S. tobacco group, for a dollar sum equivalent to around £10m.

No further sales are imminent. Lyons is expected to be sold. One of that number, the lower hotel, is expected to go by the end of the current year. The disposals have been made so as not to reduce drastically shareholders' funds and the same value per share is not expected to show a material change by the end of the year.

The half-year profit and loss figures of the group have been calculated on a different basis in order that they are more representative of a whole year's trading pattern. Previously, the seasonal nature of some of the Lyons businesses has tended to distort the picture. Subsidaries with different financial periods from the parent are now included on a time apportioned basis.

On the new basis, however, for the 24 weeks ending on September 10, was £34m. against a comparably adjusted figure of £30m. Operating profits were ahead at £18.5m. against just under £18m. but after interest payments and an exceptional lease of £1.7m. (there was a credit in the last interim of £5,000) the pre-tax figure was down to £4.6m. compared with £5.5m.

The exceptional item relates to the cost being borne of the new Carlton cake factory, which is not yet generating a full return. It is expected that the figure will grow in the second half of the year, but will disappear next year as the Carlton profits come fully on stream.

The after-tax profits of Lyons for the 24 weeks emerge at £8.8m. against £8.5m. However, on the original method of accounting this figure would have been a loss of £2.4m. compared with a profit of £714,000 on the same basis. The tax figure is proportionately much higher than in the corresponding period, mainly because there is no way to offset the heavy tax charge on the successful overseas operations. There is

Mr. James Hartley, says the installation of party's Milltron computer, patterning machine, now complete. The represents the next generation carpet patterning equipment from the market from the existing range in addition. Black Forest, the firm from the Milltron, has received by the trade, party intends to increase production of a higher level of Milltron products in the although benefits will be realised until next

THE INVESTMENT CALENDAR

Includes the regular, weekly calendar of over 150 leading U.K. and overseas companies, with all 55 accounting and sector codes, commission tables, a special Guide to the market, and other essential information. Obtainable only from the price £2.00 (inc. VAT and p.p.s.).

Squirrels Guide, 10, Old Jewry, London EC2R 8EJ

ay int

Pegler Hattersley Interim Statement 1976

The results for the half year have been very satisfactory overall. When I last reported, we were being led to expect a vigorous export supported up-turn in trade. We were sceptical of this, and in fact market conditions in some areas, particularly for certain valve products, became more difficult, resulting in a reduced trading profit. Our order book, however, is sound and the outlook for the second half encouraging. The Group's liquid position is good.

Our associated companies, which operate mainly overseas, had a very successful half year. South Africa and New Zealand have recovered well, whilst earnings by McEvoy Oil Field Equipment increased substantially. Uncertainties and difficulties, due to

currency depreciation and inflation, continue, but we anticipate that, given no major down-turn in activity, our annual results should be somewhat better than last year.

The Board has declared an interim ordinary dividend of 2.850p per share, compared with 2.550p in 1975, which will be payable on 31st January, 1977 to ordinary shareholders on the register at 31st December, 1976. Subject to unforeseen circumstances, the Board intends to recommend the maximum total dividend for the year permissible under present regulations.

J. M. HARRISON, Chairman.

| | Half year to 25th Sept 1976 | 30th Sept 1975 | Year to 27th March 1976 |
|---|-----------------------------|----------------|-------------------------|
| Sales (group companies) | 36,595 | 32,519 | 68,491 |
| Trading profit | 3,485 | 4,321 | 10,408 |
| Share of associated company profits | 2,920 | 1,474 | 4,165 |
| Interest received less paid | 54 | (224) | (236) |
| Profit excluding metal stock appreciation | 6,459 | 5,571 | 14,337 |
| Metal stock appreciation—estimated | 825 | (50) | 100 |
| Profit before taxation | 7,284 | 5,521 | 14,437 |
| Taxation | 3,716 | 2,878 | 7,406 |
| Profit after taxation | 3,568 | 2,643 | 7,031 |
| Dividends | 837 | 748 | 1,837 |
| Retained | 2,731 | 1,895 | 5,194 |
| Earnings per share after tax | 12.2p | 9.5p | 25.3p |
| Ordinary dividend per share—net | 2.850p | 2.550p | 6.256p |

INDUSTRIAL VALVES • DOMESTIC PLUMBING FITTINGS • RADIATOR VALVES
ACRYLIC SANITARY WARE • INDUSTRIAL RUBBER COMPONENTS
FABRICATIONS AND DESALINATION EQUIPMENT
PEGLER-HATTERSLEY LIMITED, ST. CATHERINE'S AVENUE, DONCASTER DN4 8DF

This announcement appears in a matter of record.

\$18,000,000

J-M Poultry Packing Company Limited
guaranteed by its parent

Imperial Group Limited

Notes due 1989 and 1991

The undersigned has arranged the direct placement of these Notes with institutional investors.

LEHMAN BROTHERS
INCORPORATED IN THE U.S.A.

NEW YORK • ATLANTA • CHICAGO • DALLAS
HOUSTON • LOS ANGELES • SAN FRANCISCO • WASHINGTON • LONDON

December 8, 1976

QUESTOR
FINANCIAL

Marley jumps to GUS £5m. ahead at £18m. after 26 weeks

SECOND HALF of Marley, the units group, moved to £10.62m. for the year ended 76 up to £18m. This £11.47m. for the year and represents full recovery of the £1m. achieved in 1975.

Marley's increase in the autumn came from the share price, which rose from £0.7m. to £4.91m. (£2.66m.) accrued half in the U.K. and £1.25m. in the U.S. The year's total profit of £10.77m. 25p share is up 1.8p. The dividend is produced £2.27m. from 2.027m. with a final of 1.027m.

Marley's share price has underperformed the market by almost a third over the last year and the prospect of a sharp drop in housing starts in 1977 and a squeeze on discretionary consumer spending, which could hit the home improvement business, will continue to overshadow the shares, which at 38p yield 9.0 per cent.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Other indications are not available for the purpose of considering dividends or final and the sub-divisions shown below are based mainly on last year's results.

TO-DAY
Marley, AGS, Resources, Arlinton, Marley, Clarke, Nickolls and Coombe, Dorman Smith, Lennan, Milbury, Roberts, Moss, Norcross, Phillips, Lennan, Jones, Woodhead, Finsbury, Deane, Cyprian, Dunford and Edmon.

FUTURE DATES
Reedwood Construction Dec. 14
Bardman (K. O.) International Dec. 14
Partridge Dec. 17
Empress Services Dec. 18
General Engineering, Coulson Dec. 18
Parkson J. and R. B. Dec. 18
Uniford Dec. 18
Henderson Dec. 18
Toshill (R. W.) Dec. 20
Finsbury Dec. 20
Trans-Oceanic Trust Dec. 21
United Soma and Steel Dec. 21

J. Latham well up half time
TURNOVER of timber merchants James Latham for the half-year ended September 30, 1978, improved from £9.78m. to £13.43m. and pre-tax profit almost doubled from £406,000 to £802,000. The directors note that the cost of short-term borrowings has recently increased, but they anticipate a reasonable result for the year as a whole. The interim dividend is stepped up from 2.75p to 3p net per £1 share. Last year's total was 7.52p from profits of £948,447. There was a deferred tax charge of £2m. At home for the half-year to £16,000 has been less (£211,000). The directors state that there has been a useful addition in volume terms to group sales up 23 per cent, which has helped to offset increased costs. Turnover in October and November has been well maintained, they add, but there are considerable uncertainties as to the building volume of customers' requirements in 1977.

Better second half

etc. makers the year, contributed £8.18m. to turnover and £1.34m. to profits. On capital increased by a rights issue, the final dividend is the profit, £1.34p, to raise the total from 3.125p to 3.44p net. Earnings came to 9.4p (14.3p) and 10.7p (11.3p) fully diluted.

comment
On a comparable basis, RHP is a third lower pre-tax while earnings per share overall have suffered a slightly bigger setback. But the second half of 1977-78 has been much better than the first with margins over the year roughly doubling, and RHP is relatively hopeful about the profits outlook in 1978. Last year, sales volume dropped by around 5 per cent (again excluding MTE). But that was after a decline of an eighth or so in the first six months and capacity utilisation is now up to 85 per cent, against 75 per cent running for most of the first half year. Clearly RHP is still feeling its way ahead tentatively, but thanks to May's rights issue the balance sheet is still in solid shape with a debt to equity ratio of 1.25. At 50p, yield is a well early part of covered 11 per cent.

lay in the

Authority spending.
at how the London Borough is deciding where to make cuts.

Walker unit trusts.
acquisition of the Jessel and Group Unit Trusts and the of Mr. Jim Slater a year ago, trusts have undergone alterations in character. We holders where they stand.

Universal Stores.
ansive profile of this turnover stores and mail any which is one of Britain's industrial concerns.

iny cars.
-page survey.

our regular reports on the
id business, money, share and markets, company results and

essential information for
an and managers directly with the running of their

VESTORS
IONICLE
opy today from your newsagent.

WITH A jump of £5.14m. Great Universal Stores recorded profits before tax of £48.08m. for the half year to September 30, 1978, left the net balance higher at £4.52m. in front of £488.24m. First half earnings per 25p stock unit are shown to have risen from 8p to 8.90p and, at a cost of £8.63m, the interim dividend is increased from 2.5075p to 3.23125p net. Last year's total payment was 6.6575p from profits of £98.35m.

UGI ahead £145,000 at midway
AN IMPROVEMENT of £145,000 to £507,000 in pre-tax profits is reported by United Gas Industries for the six months to September 28, 1978. Profit for the last full year amounted to £1.6m. Net interim dividend per 25p share is lifted from 0.65p to 0.8125p. Last year's total was 2.0313p.

Liner Concrete advances
SALES SLIPPED from £7.17m. to £6.2m. for Liner Concrete Machinery in the 53 weeks to September 4, 1978, but pre-tax profit increased 14.9 per cent, to reach a peak of £701,732, against £610,916. A final dividend of 0.67p net (0.4035p) per 10p share makes the total for the year 1.17p on capital increased by a rights issue, the maximum permitted (0.6435p). Earnings per share improved to 3.1p (3.60p).

The current year has started well for the company and its wholly owned subsidiary Liner-Crocker with orders substantially higher than the same period of last year, say the directors. Ferguson Industrial Holdings has a substantial interest in the company. Meeting, Newcastle, February 17, 1978.

Aeronautical & General progress
Profit before tax surged ahead to £155,227 against £135,227 for Aeronautical and General Instruments for the half year to September 30, 1978.

Redfearn Glass tops £3m.
SECOND HALF profits of Redfearn National Glass increased from £0.97m. to £1.83m. to take profits up from £1.48m. to £3.08m. for the 53 weeks ended October 5, 1978. Earnings per 25p share rose from 10.52p to 23.06p. The dividend is lifted from 3.388p to 3.946p, with a final of 3.071p. Sales in the period increased from £27.15m. to £34.89m. The net profit emerged at £1.41m. against £0.68m. after tax of £1.85m. (£0.82m.). The retained figure is £1.16m. (£0.43m.).

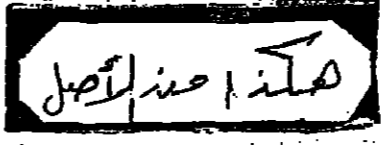
comment
By the end of March this year demand for glass containers was beginning to falter but the prolonged heatwave for the summer months provided a sufficient boost to keep Redfearn National Glass's profits moving rapidly ahead. The full year profits have more than doubled pre-tax. Bottle producers view their market as an expanding one at the moment and Redfearn's plans to spend £54m. on new plant in 1978-79 (compared to £24m. last year) reflects this confidence. However, the success of this move appears to depend on whether glass containers will be able to steal some market share away from cans, a prospect which is still far from certain at the moment. In the meantime though, Redfearn still holds a very substantial share of the existing bottles market, and its balance sheet is now much stronger than at the end of 1974-1975. The short-term position has changed from debt of £11m. to cash of around £1m. Thus, the shares at 81p, yielding 7.8 per cent, (in line with Rockware) covered 5.8 times, should have a firm base.

Mid-term rise for Routledge & Kegan Paul
Book publishers Routledge and Kegan Paul expanded pre-tax profit from £84,000 to £153,000 on sales only slightly higher at £1.25m. (£1.21m.) for the six months ended September 30, 1978. Earnings per 25p share were

Margins cut at Fertleman
As forewarned, pressure on margins resulted in a cut in pre-tax profit of furniture manufacturers B. Fertleman and Sons for the half year ended September 30, 1978, from £282,230 to £146,365. Turnover expanded from £1.81m. to £2.15m. Margins have improved, and current indications suggest that second half profits will show a substantial improvement, says Mr. L. Fertleman, chairman. The interim dividend is 0.55p gross per 20p share, against 0.5p. Last year's total was 1.14p, and profits £505,372.

Green Shield in profit
The Green Shield Trading Stamp Company, which ran into its first loss for 11 years in 1974 as a result of the petrol crisis, made a pre-tax profit of £2.2m. last year. Sales, which had fallen by £6m. in 1974, rose last year to £48.1m. to £68.7m. Despite the recovery, however, 1975 profits were still below the level reached before the petrol shortage led to a big fall in the number of garages giving stamps, and the company, which is almost entirely owned by its founder, Mr. Richard Tompkins and his family trusts, will not be paying a dividend for the second year running. The unappropriated profits of £1.7m. are being carried forward.

The company said it expected turnover this year to show a good increase and that overall results would compare favourably with those of last year. Though fewer garages were giving trading stamps in 1975 than before the petrol crisis, the fact that many were giving multi-fold stamps meant that Green Shield's turnover in petrol stations increased last year. As a result, the petrol business again accounted for 40 per cent of total turnover, having slipped to under 30 per cent in 1974. The food business also grew last year, largely because the rate of stamp issue is geared to the value of products sold and with inflation running at a high level, this boosted Green Shield's grocery turnover. Following the trading loss of £68,000 in the 12 months November 1974, the company cut back on both its investment and staff. But it is confident that the business will continue to grow. Ideally, Green Shield would like garages to issue stamps in the same way as the grocers. This would mean their petrol business increased in line with prices.



This announcement appears as a matter of record only.

Cadbury Schweppes LIMITED

£40,000,000

MEDIUM-TERM LOAN
(Final Repayment 1986)

Managed by

Kleinwort, Benson Limited

Samuel Montagu & Co. Limited

Provided by

Lloyds Bank Limited

Midland Bank Limited

Barclays Merchant Bank Limited

National Westminster Bank Group

Chemical Bank

Crédit Lyonnais
London Branch

Deutsche Bank AG
London Branch

Manufacturers Hanover Trust Company

Morgan Guaranty Trust Company of New York

Grindlays Bank Limited

Kleinwort, Benson Limited

Samuel Montagu & Co. Limited

The Royal Bank of Canada

Toronto Dominion Bank

Agent

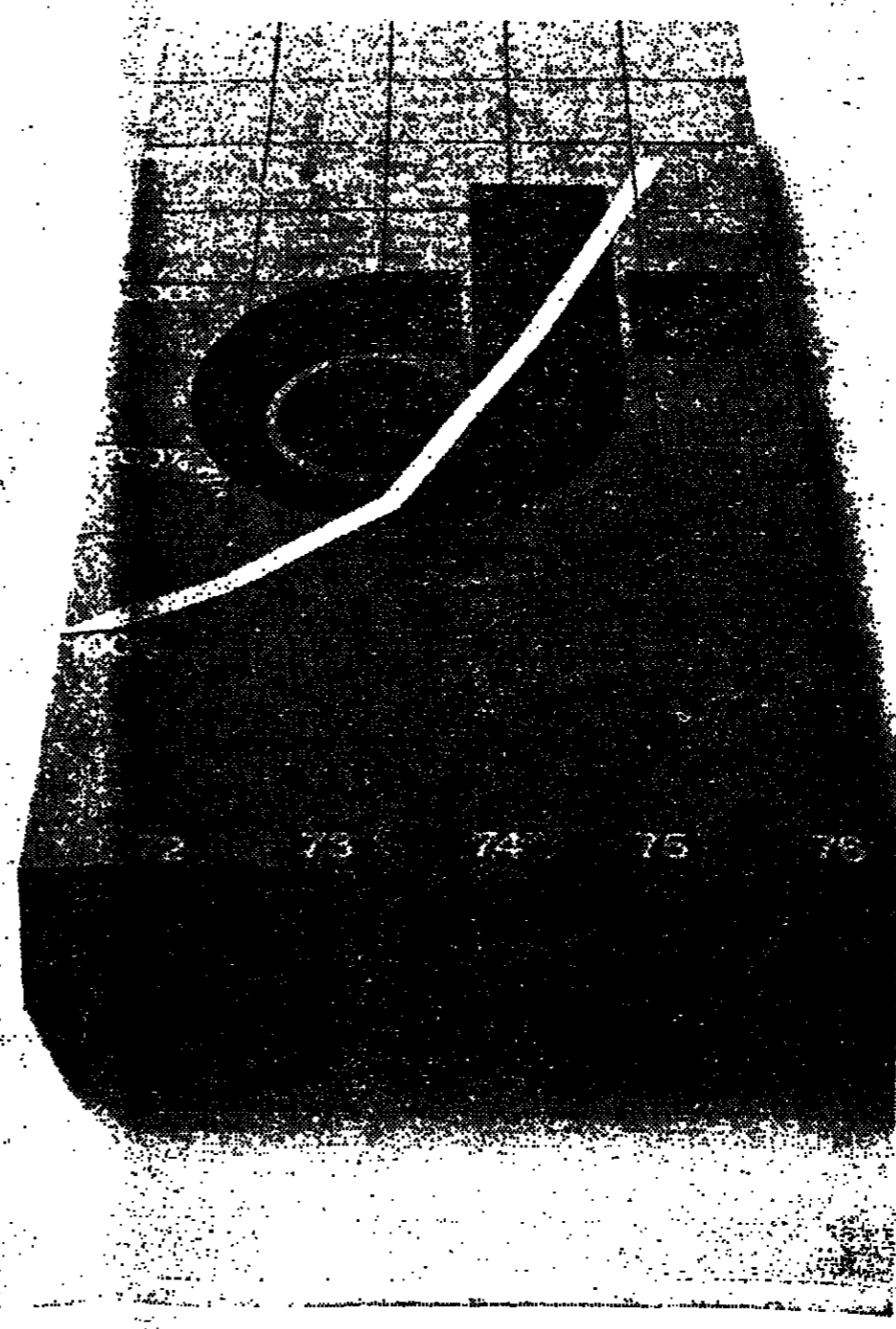
Kleinwort, Benson Limited

December, 1976.

The last five years have been uphill all the way

But it's been worth it. Every year for the last 5 years, our pre-tax profits, earnings and sales have achieved new records. Since 1971, our sales have increased by nearly 200%; our earnings by nearly 250% and our pre-tax profits by over 300%. These figures haven't just happened—they're the proof of our positive corporate philosophy. Accountability decentralized; international expansion; diversification; eliminating unnecessary risk and maximizing opportunities. It's been a successful formula judging by our record. We'll probably find the next five years uphill going too. But we don't mind. To us it's success.

BTR Limited,
Silvertown House, Vincent Square,
London SW1. Tel: 01-834 3848.



LYNDALE ENGINEERING LIMITED

Extracts from the statement by the Chairman,
Mr. W. H. Hamer:

The group profit for the year before tax was £198,252 compared with £489,012 for 1975. Your Board has decided to recommend a final dividend of 1.1375p per share making a total of 1.8525p per share. The maintenance of the final dividend reflects the Board's confidence in the future of the group.

Some companies in the group are planning to increase both production and profit in the current year, and export sales continue to show an upward trend.

Much will depend on a recovery in capital investment for those subsidiaries operating in this field.

Copies of the Report and Accounts are available from The Secretary, Neville House, 42-46 Hagley Road, Edgbaston, Birmingham B16 8PE



INTERIM STATEMENT

Unaudited results of the Group for the 26 weeks ended 29th October, 1976 are announced as follows:

| | Half-year 1976 | Half-year 1975 |
|----------------------------------|-------------------|-------------------|
| Sales | 2000 | 1900 |
| of which direct exports | 1,148 | 8,165 |
| Trading Profit | 3,330 | 1,564 |
| Depreciation | 740 | 631 |
| Interest | 342 | 408 |
| Profit before taxation | 140 | 97 |
| Provision for deferred taxation | 238 | 126 |
| Preference Dividend | 124 | 34 |
| Available for ordinary dividends | 14 | 14 |
| Interim ordinary dividend | 110 | 58 |
| | 77 | 76 |

An interim ordinary dividend of 0.875p per share (1975: 0.875p) is declared payable on 31st January, 1977 to shareholders registered on 4th January, 1977.

GLANFIELD SECURITIES LIMITED

Sir Jack Lyons, C.B.E., D. UNIV reports:

- The profit before taxation for the year ended 31st March, 1976 was £482,151 (1975: £526,820). The downturn in profit is wholly attributable to the non-payment of interest on the mortgage loan of £1,000,000. The loan is secured on important property in Central London and the Directors believe that any capital loss in connection with the loan will be insignificant.
- Final dividend is 4p per share making a total for the year of 8p (11.25p).
- The Board has continued its policy of maintaining a high degree of liquidity, which has been further improved during the year by reductions in holdings of quoted securities and disposal of certain properties at prices in excess of book value.
- It is difficult to forecast the level of income for the current year particularly having regard to the fluctuating rates of interest. The Directors are confident that the Company's cash position will help to meet the adverse effects of the economic recession.

Copies of the Annual Accounts can be obtained from The Secretary, 36 Portland Place, London W1N 4BD.



Interim Statement

At a Board Meeting held today, 9th December 1976, the Directors declared an interim dividend for the year ending 27th March 1977 of 2.275p per Unit to holders of the "A" Ordinary Stock, which, with the imputed tax credit, amounts to 3.5p per Unit, compared with 2.846p in 1975. Dividend warrants will be posted on 21st March 1977 and transfers lodged with the Company's Registrars, Kleinwort Benson Limited, The Lawn, Speen, Newbury, Berkshire, before 3 p.m. on 21st February 1977 will rank for dividend.

| | 1976 First 26 weeks to 26.9.76 | 1975 First 26 weeks to 26.9.75 | Full Year to 28.3.76 |
|--|--------------------------------------|--------------------------------------|-------------------------|
| Group Turnover | £700 | £700 | £700 |
| Group Profit before Taxation | 42,269 | 30,311 | 69,215 |
| Taxation | 5,169 | 2,028 | 6,626 |
| Profit after Taxation | 2,688 | 1,055 | 3,418 |
| Minority Interests | 2,481 | 973 | 3,208 |
| Extraordinary Item less Taxation | 18 | (16) | 46 |
| Attributable to Members of the Holding Company | 2,463 | 989 | 2,950 |
| Amount absorbed by Dividends | 932 | 774 | 1,799 |
| Amount of Dividend per "A" Stock Unit (gross equivalent) | 2,275p | 1,85p | 3.5p |
| Earnings per "A" Stock Unit (after taxation) | 3.5p | 2.846p | 6.62p |
| | 5.89p | 2.36p | 7.56p |

The Directors report that nearly all Divisions have contributed to the improved results for the first half of the current financial year but, in particular, they incorporate substantial additional profits from the feature film 'The Return of the Pink Panther'.

Associated Television Corporation Limited

£11m. profit rise Baker Perkins by Trafalgar midway advance and Scottish

IN THE second half of 1975-76 profits of Trafalgar House Investments expanded from £12.35m. to £19.36m. boosting the total for the year ended September 30, 1976, up to a record £38.62m. — an increase of £11.4m. on the previous year.

Because of a recovery in areas of the property market concerning this time in respect of house-building and property developments for sale, whereas the 1974-1975 profit was reduced by £4.7m. in this respect. The net balance attributable to Ordinary holders emerged ahead from £14.1m. to £21.77m. — earnings per 20p share are stated at 14.4p (11.4p) basic and at 14.2p (11.2p) fully diluted.

The dividend is raised from 2.46p to 4.62p net, with a final of 2.31p.

| | 1975-76 | 1974-75 |
|-------------------------|---------|---------|
| Turnover | 44,400 | 39,000 |
| Property income | 2,447 | 2,177 |
| Industrial | 2,447 | 2,177 |
| Contracting engineering | 14,738 | 8,292 |
| and housebuilding | 8,292 | 11,262 |
| Shipping and boats | 37,819 | 31,324 |
| Provision | 3,995 | 4,440 |
| Investment | 35,615 | 22,158 |
| Revenue before tax | 11,767 | 1,598 |
| Tax and corporation | 263 | 261 |
| Minority | 120 | 115 |
| Extra-ord. credits | 21,767 | 24,434 |
| From interest | 14,650 | 3,268 |
| Dividends | 14,650 | 3,268 |
| to revenue | 14,650 | 3,268 |

Includes overseas 500m. (£12.35m.) included profit on sales of cargo ships (£12.35m.) (£12.35m.) and profit on sales of cargo ships (£12.35m.) (£12.35m.)

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

On the subject of group borrowings, Mr. Nick Brookes, chairman, said yesterday that 1976-77 prospects were "reasonably encouraging".

Talking about the group's take-over policy Mr. Brookes said that he was extremely keen to go for a big bid right now. Share prices were too low which makes it difficult for a British bidder to acquire a company. The Monopolies Commission, however, was not a problem. Given a coherent policy he was sure that a number of big bids would "see the light of day".

The company was considering changing its name back to the original Trafalgar House.

See Lex

First half headway at Pegler

TAXABLE profit of Pegler Hattersley expanded from £5.52m. to £7.28m. and the directors say that the order book is sound and the outlook for the second half encouraging. It is anticipated that the annual result should be some what better than last year's £14.74m. The group's liquid position is good.

Half-yearly earnings per 20p share are shown to be up from 9.5p to 12.2p and the dividend is stepped up from 2.35p to 2.85p — last year's final was 3.70p.

The group operates as manufacturer of domestic plumbing and heating, fitting, industrial valves and general industrial products.

Within Pegler-Hattersley's trading profits decline of a fifth there are two main features: the engineering valve side experienced lower volume against buoyant sales a year ago, while the building supplies division, a quarter of sales, is obviously going through a thin time. However, a doubling of associate income and a £278,000 turnaround in interest charges has helped tax profits by 18 per cent.

The main boost to associates has come from Melroy Oil Field Equipment which is benefiting from a higher level of worldwide activity. Sales to North Sea developers are under a tenth of the total so any slowdown here is not significant. With over half of total profits originating overseas P-H is hopeful of continued profits, with a 10 per cent increase over £15m. (before metal stock appreciation) look realistic. So earnings of around 25p look on the cards for the year, giving a prospective p/e of 3.2, at 12.2p while the yield is 8.2 per cent.

Statement, Page 28

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

THE IMMEDIATE outlook for Baker Perkins Holdings is satisfactory and Mr. I. H. G. Gilbert, chairman, reaffirms his confidence in the year to end September 30, 1977, will show a real advance in sales and profit.

In the first six months ended September 30, 1976 profits have jumped from £1.36m. to £2.35m., on sales ahead from £31.45m. to £36.48m. After tax £1.7m. (£1.44m.) and taking in extraordinary items of £2.16m. against £0.74m., the attributable balance emerges at £3.72m. (£1.51m.).

The interim dividend is raised from 1.5p to 1.65p net. The total for 1975-76 was 3.5p paid from profits of £4.45m.

Earnings have been materially reduced and this accounts for a lower interest charge of £251,000 (£706,000). The extra-ordinary items represent a surplus on conversions into sterling of net assets held in foreign currencies.

Despite unsettled or depressed conditions in a number of markets, the chairman reports that orders generally are being taken at a satisfactory rate and for the first eight months of the year the total value is ahead of forecast.

Most factories have a good head of unexecuted orders.

Looking further ahead, the world economic problems and uncertainties cannot be ignored. Optimism, therefore, must be tinged with caution, says Mr. Gilbert.

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

the half-time contribution was more than the whole of last year's.

highest profit margins, loss of £1.1m. in the previous year, and a £1.44m. in pre-tax profit for the year ended September 30, 1976, against £0.66m. in 1975.

Of course, the £2.6m. raised in the January rights issue helped. But although the shares have shown relative strength since then, they hardly take account of the new arithmetic.

BP could reach profits of £1m. this year in which case they would have increased 2.5 fold in 1976.

But the prospective p/e of 4.3 at 58p is a third below the average for the general engineering sector, and the most recent yield of 10.4 per cent is 15 points higher than the average.

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

FINANCE AND banking group, growing volume of business tied to the money market.

On the industrial and financial side there were high rates from distribution, and recent acquisitions, had an impact on operational particularly on TV rental.

The dividend is raised from 2.46p to 4.62p net, with a final of 2.31p.

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

comment

Pipelines under the North Sea

BY RAY DAFTER

FORMATION of a company to look more deeply into the concept of gas gathering pipeline systems in the North Sea, announced yesterday, is a significant development in the exploitation of British offshore energy resources.

If the network is built, possibly in the early 1980s, it will boost offshore industries associated with installation work. The gas gathering scheme would be one of the most ambitious sub-sea pipeline projects ever undertaken: with pipelines in the Northern North Sea now costing up to £1m. a mile to lay, a reasonable network with associated facilities could well cost over £2bn.

Gas collected would help to secure British energy self-sufficiency for an even longer period. Taking the figures of a preliminary study carried out by Williams-Morr, the consulting engineers, between 1bn. and 1.5bn. cubic feet a day of gas might be collected over a 12-year period, equivalent to nearly one-third of current British gas needs. This is apart from the 6m. to 9m. tons a year of heavier gases (ethane, propane, and butane) which might be produced and used as the basis for a major expansion of the petrochemical industry.

A Department of Energy note on the gas gathering concept points out that the potential investment could directly benefit the balance of payments by perhaps a year and secure fuel and raw material equivalent to over 20m. tons of oil annually. The new gas resources, it says, would have "very important implications for energy policy

and petrochemical development." The concept is important for another, perhaps less obvious, factor. It implies the recognition by Government that for one reason or another much North Sea gas could be wasted without some form of co-operative collection arrangement. Whatever Prof. Peter Odell of Erasmus University, in Rotterdam, might say about companies deliberately holding back offshore developments, it is evident that companies will find it uneconomical individually to exploit the gas reserves in their oil and condensate fields.

More remote

Companies in the southern basin gas fields complain that prices offered by British Gas are too low to encourage large-scale development expenditure. What chance, then, does the industry have of making a case for tapping often much smaller pockets of gas from more remote sectors of the northern North Sea? The gas gathering pipeline is likely to be the answer.

Although small quantities of associated gas produced from British Petroleum's Forties Field is being piped ashore, disolved in the Forties crude oil, British Gas Corporation is relying on the Frigg and Brent fields to provide the bulk of natural gas growth. Supplies from the Anglo-Norwegian Frigg field are to be landed in September or October next year. The Corporation has already started to negotiate contract supplies with industrial and commercial consumers. Gas

from Shell-Esso's Brent Field should come ashore in the second half of 1979.

Enough gas will be produced from both of these fields to justify their pipeline systems, although the development and transportation costs are adding a new dimension to offshore gas prices. It is thought, for instance, that the Gas Corporation is paying about 2p per therm for supplies from the southern North Sea fields, situated as they are in relatively shallow waters close to land. Some Frigg gas could well cost the Corporation nearer 8p per therm.

The Williams-Morr team recommended a system of pipelines, over 800 miles long connecting as many as 30 fields and un-named discoveries. This system would start in the North, collecting gas from BP's Magnus Field, which has still to be declared commercial, and run south through the Brent, Piper and Montrose regions. On the way the pipeline—series of pipelines—would tap supplies from Beryl which, with comparatively large quantities of associated gas, is likely to be an integral part of the network. There are other prospects, as yet far from settled. It is not known, for instance, whether gas from the big Statfjord Field which straddled the U.K.-Norwegian median line will be fed into a British or Norwegian gathering system.

Then there is the possibility of using Pan Ocean's Brae Field as an important link in the network. Some industry reports have suggested that it

could contain 2.5 trillion cubic feet of gas, quite apart from sizeable oil reserves, but Brae is proving a difficult prospect to assess.

The Department of Energy note points out that British fields so far proved do not yield the required minimum gas volume to justify a gathering system; a pipeline would therefore have to take gas from identified but presently unproved oil fields and from "other dry gas and condensate fields." Technical information about these latter fields is said to be uncertain.

The Department and a number of offshore operators are aware that there appear to be two large gas-bearing structures in the middle of the North Sea which, if proved, could help to underwrite the pipeline's viability. One of them is thought to spread across two or three blocks: from the Zapata group's acreage on 21/2 (where oil and gas have been found) to 15/28, now operated by British National Oil Corporation, and possibly Texaco's 15/29 block. The other structure is conveniently close-by, situated as it is in Continental Oil's 15/30 concession and the Transocean Group's 16/26 block. Here again it is possible that the reservoir spills over into block 15/29.

The presence of BNOG in at least two of these blocks, 15/28 and 15/30, is pertinent in view of the state corporation's interest in the company which will evaluate and possibly administer the pipeline scheme.

Originally it was intended that the gas gathering company would be a wholly state-owned affair involving BNOG, British Gas, and, presumably, Statoil of Norway. The Government—the Treasury in particular—was concerned about the amount of money which would have had to have been raised by the groups. Consequently, private industry is being invited to take a stake. Judging by the interest being expressed at the offshore oil exhibition and conference in Birmingham this week, there should be no lack of private industry participants.

John Laing Construction and Texas Eastern have already announced their interest in the scheme. They have formed an association to bid for work on the pipeline. Other contractors are also likely to be attracted to the project.

Double reason

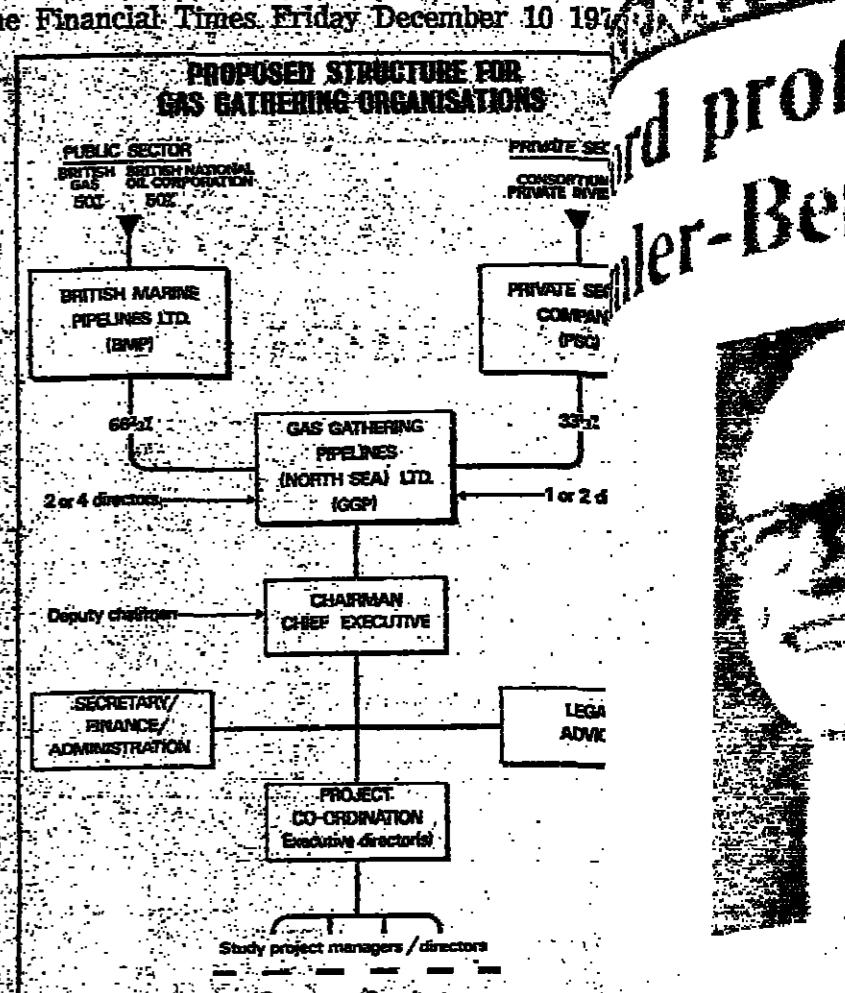
Among names mentioned in the industry as possible participants are Rio Tinto-Zinc, Amerasia Hess, Allied Chemicals, P and O Energy, and Imperial Chemical Industries. ICI has a double reason for being interested in the scheme: it is a potential producer of offshore oil and gas, and the biggest industrial user of gas in Britain. Oil companies like Shell, Esso, and British Petroleum also are potential candidates.

The Department of Energy has confirmed that when the Williams-Morr report was published a number of industrial sectors showed interest. They included oil companies, chemical groups, local authori-

ties, consultants, banks, and a wide range of industrial groups. Companies which do take part will be expected to contribute at least several hundred thousand pounds each as risk investment. No participant will have the right to preference in respect of contracts awarded in the study or construction stages. On the other hand, study participants will obtain first-hand knowledge of the commercial and engineering issues. "This is likely to confer advantages if the project goes ahead to development," the Department says.

Under the proposed management arrangements the private sector will have a one-third interest in the study company, Gas Gathering Pipelines (North Sea). The public sector, represented by the Gas Corporation and BNOG through a company called British Marine Pipelines, will account for the other two-thirds. The management team will consist of senior executives seconded by participating companies, which could well stretch BNOG's manpower resources even tighter. In order not to pre-empt decisions on the ownership of the pipeline GGP will cease operations once it has completed its studies by March 1978.

Yesterday's announcement poses two unanswered questions: will the Norwegians be tempted to abandon their own national scheme and will the owners of gas be paid a market price for the energy? Mr. Bjorn Gjerde, Norwegian Minister of Industry, was non-committal about his country's



ENTERTAINMENT GUIDE

OPERA & BALLET

ENGLISH NATIONAL OPERA (01-336 3161)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

COVENT GARDEN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THE ROYAL OPERA
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

COVENT GARDEN SUNDAY CONCERTS
This Sunday, 2.30, 4.30, 6.30. *The Barber of Seville*.
Next Sunday, 2.30, 4.30, 6.30. *The Barber of Seville*.
Following Sunday, 2.30, 4.30, 6.30. *The Barber of Seville*.

SADLER'S WELLS (01-336 3161)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THEATRES

AMERICAN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THE ROYAL THEATRE
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

COVENT GARDEN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

SADLER'S WELLS (01-336 3161)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THEATRES

AMERICAN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THE ROYAL THEATRE
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

COVENT GARDEN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

SADLER'S WELLS (01-336 3161)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THEATRES

AMERICAN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THE ROYAL THEATRE
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

COVENT GARDEN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

SADLER'S WELLS (01-336 3161)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THEATRES

AMERICAN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THE ROYAL THEATRE
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

COVENT GARDEN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

SADLER'S WELLS (01-336 3161)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THEATRES

AMERICAN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THE ROYAL THEATRE
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

COVENT GARDEN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

SADLER'S WELLS (01-336 3161)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THEATRES

AMERICAN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THE ROYAL THEATRE
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

COVENT GARDEN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

SADLER'S WELLS (01-336 3161)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THEATRES

AMERICAN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THE ROYAL THEATRE
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

COVENT GARDEN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

SADLER'S WELLS (01-336 3161)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THEATRES

AMERICAN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

THE ROYAL THEATRE
Tonight, 7.30, 9.15, 11.15. *The Barber of Seville*.
Tomorrow, 7.30, 9.15, 11.15. *The Barber of Seville*.
Wednesday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Thursday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Friday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Saturday, 7.30, 9.15, 11.15. *The Barber of Seville*.
Sunday, 7.30, 9.15, 11.15. *The Barber of Seville*.

COVENT GARDEN 240 1086 (Garden-credit card bookings, 336 6903)
Tonight, 7.30, 9

Record profits ahead as Daimler-Benz sales rise



Production of commercial vehicles in West Germany and abroad totalled about 446,000 in 1976, with Daimler-Benz plants in other countries raising their production by 7 per cent. to 246,000 units. In the future, Zahn said, the commercial vehicle industry would be the most fought-over sector for the motor industry—a remark that comes closer than any previous utterances by Daimler-Benz to commenting on some of the recent moves by its competitors to strengthen their positions. Among these the recent decision by the Japanese M.A.N. to produce a joint range of trucks stands out.

Turning to the Royal Dutch/Shell Group, the analysts say that while earnings figures in 1976 presented a distorted picture of the business trend because of the application of new accounting standards and the depreciation of sterling, the favourable underlying earnings trend "continued at the usual pace."

After the increase in sales of crude oil, natural gas and chemical products at better prices this year, as well as higher capacity utilisation, they suggest group

The improvement in earnings during the first nine months was, in fact, attributed to the group's car operations, which accounted for Kr.6.3bn. of the Kr.11.4bn. turnover. Higher sales in Sweden and Western Europe offset at least partially the con-

EUROBONDS

By way of "dowry" Ericsson has brought Thomson a first half loss of Frs.50m. which is blamed by the company on the revaluation of stocks, the reabsorption of stocks, excessive prices and the loss of studies into its future. It expects a smaller loss for the second half.

cent. up at Fr.32m. while full year earnings will be up by proportionately more than the turnover. LMT is responsible for the Metaconta space switching system developed by ITT.

Joint engineering, manufacturing and marketing policies, coupled with a rational use of existing production and sales facilities, is claimed to produce the largest industrial complex

listed at a middle price of 101½. This would give a return of 9½ per cent., so that new investors are being invited to take up a 7-year bond issue on a lower price than the old one. The new already-quoted bond with 4½ years to go to redemption.

There is the further consideration that with new subscription borrowing of some \$30n. so

| | | |
|----------------------------|------|------|
| James Ferguson Ship 1901 | 1004 | 1036 |
| Michigan Ship 1888 | 1019 | 1021 |
| Midland Ship 1888 | 1019 | 1021 |
| Ship 1888 | 1019 | 1021 |
| Nail, Westminster Ship '86 | 1001 | 1003 |
| Newfoundland Ship 1903 | 1012 | 1018 |
| Northwestern Ship 1888 | 1012 | 1018 |
| Northwest Ship 1901 | 1012 | 1018 |
| Northwest Ship 1901 | 1012 | 1018 |
| Ostia Ship 1888 | 1012 | 1018 |
| Pror. Quebec Ship 1884 | 1012 | 1018 |
| Quebec Harbor Ship 1888 | 1012 | 1018 |
| Quebec Harbor Ship 1888 | 1012 | 1018 |
| Skand, Enslin Ship 1901 | 1004 | 1001 |

| | Thursday | Wednesday |
|----------------|----------|-----------|
| Medium | 101.99 | 101.87 |
| Long | 93.81 | 93.68 |
| Convertible .. | 105.80 | 105.80 |

[illegible]

low gives the latest available rates for the U.S. dollar against \$ as on Wednesday. Deoman-
ce rates have been compiled
rica NT & SA's world-wide
vested in the U.S. dollar
are middle rates between
ng rates as quoted between
multiple exchange rate system
(m), the rate quoted is the
U.S. dollar and the foreign
is quoted in foreign currency
units per one U.S. dollar except for U.K.
sterling (and those currencies at par with
sterling) which is quoted in dollars per sterling
unit. These rates are asterisked.

All rates quoted are for indication purposes
only and are not intended to be used as a basis for
particular transactions. By quoting the following
exchange rates, Bank of America NT & SA does not
undertake to trade in all listed foreign currencies
and does not assume responsibility for any errors
in the table below.

as of December 9 at 11.00 a.m.
15 5 6 months 5 1/2

SDR1=US\$1.15247

[illegible]

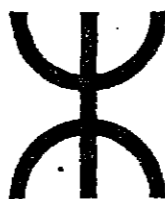
By Michael Van Os
AMSTERDAM, Dec. 9

Exxon \$20bn. spending plan

any's previously reported \$20bn. four-year capital and exploration

ending programme, in a presentation prepared for delivery to securities analysts here. He disclosed that of the \$20bn scheduled outlays over the 1976 through 1979 period some \$3bn. will go for so-called "upstream" activities primarily production and exploration. A further \$4bn. of spending is scheduled for "downstream" activities including marketing and refining. Chemicals projects will absorb \$2bn. of the budget and

This announcement appears as a matter of record only



**MASS TRANSIT
RAILWAY CORPORATION
HONG KONG**

US\$55,000,000
(Available as a Hong Kong Dollar facility)
Medium Term Loan
Guaranteed by the
Government of Hong Kong

Managed by
Jardine Fleming & Company Limited

Co-managed by
Morgan Guaranty Trust Company of New York **Barclays Bank International Limited**

Provided by

| | |
|--|---|
| Barclays Bank International Limited | Chase Manhattan Bank N.A. |
| European Asian Bank | First Canadian Financial Corporation Limited |
| Jardine Fleming & Company Limited | Manufacturers Hanover Asia Limited |
| Morgan Guaranty and Partners Limited | Morgan Guaranty Trust Company of New York |
| The Royal Bank of Canada Group | The Royal Bank of Scotland Limited |
| Saudi-International Bank | Toronto Dominion Bank |

Agent
Jardine Fleming & Company Limited

INTL. FINANCIAL AND COMPANY NEWS

U.S. FARM EQUIPMENT

Reaping Europe's harvests

BY JOHN EDWARDS, COMMODITIES EDITOR

AMONG THE MANY agricultural companies seeking the attention of European buyers at this week's Royal Smithfield Show in London is the leading U.S. farm equipment manufacturer—John Deere—attempting to make up for its late entry into international markets compared with its better known competitors. Deere plans to feature several new models including a combine with an automatic levelling system for harvesting crops on sloping hillsides—a machine claimed to be unique in Europe so far.

Deere has just suffered a five-week strike by 27,000 employees in the U.S. over the renewal of a new three-year labour contract, but according to the company, the main result of the strike was to reduce dealers' stocks rather than create any shortages. In any event Deere is at present in the middle of a \$400m. expansion plan to raise output.

The company has prospered greatly in the past five years from the boom in U.S. farming providing a better domestic market than was dreamed possible, based on past experience.

The world grain shortage, created largely by the agricultural setbacks in the Soviet Union, has helped the U.S. become the major source of supply on which the rest of the world relies. As a result American farmers have been able to achieve prices for their grain, soybeans and cotton well above previous levels and this in turn has benefited the supplying companies closely linked with agriculture, such as John Deere.

Earnings are reported to be substantially higher and sales are forecast to have topped the \$3.1bn. mark against \$2.65bn. in the previous 12-month period. In the nine months to July 31, net sales rose to \$4.2bn. against \$2.1bn. previously, and net income per dollar of sales rose

to 8.5 cents compared with 6.4 cents. Since 1972 the group's annual sales have more than doubled from \$1.5bn. to over \$3bn., and this year earnings are expected to exceed \$200m. compared with \$100m. four years ago. But most

of operations for most of its rivals. But after a plan for a U.K. factory in Scotland agreed with the Labour Government of the time had been revoked by the following Conservative Government, it was decided to go to West Germany

well established in supplying them.

Deere is convinced that farm machinery overall will inevitably have to become more sophisticated to meet modern needs. It foresees some radical changes as space age technology is applied to farm machines, not only for ploughing and harvesting, but also for seed planting, spreading fertilisers, crop spraying and soil testing. This will involve much more sophisticated control and monitoring devices, which the big manufacturing companies like Deere will have to develop. Already the company spends more on research and development than it pays out in dividends to shareholders.

Deere has particularly associated itself with the trend towards bigger machines, which it claims helps farmers to save valuable time, often when the time for harvesting, for example, is limited by the vagaries of the weather. Certainly, likely forecasts for further sales in Europe and North America confirm the trend is towards fewer, but larger, units.

The underlying philosophy is that farming will need to become more industrialised if the world's increasing food needs are to be met in the future. As Mr. Hewitt pointed out, the great majority of crops to meet the demands of a growing world for more and better food will have to come from the so-called "green belts" between the 30th and 50th parallels of the northern and southern hemispheres. Within the northern "green belt" is the U.S. which has a unique mixture of soil and climate needed to produce the kind of bumper crops which can provide a large proportion of the world's grain needs. The other main potential grain producing area—the Soviet Union—is hampered by poor infrastructure that will take many years to improve and the unsolvable problem of a short growing season.

important, the company feels these figures help kill its previous image of being dependent on cyclical swings in the fortunes of farmers.

Although starting international operations much later than its main competitors, such as International Harvester and Massey-Ferguson, John Deere has established a manufacturing plant in Mannheim, Germany, and built up a significant share of the tractors and farm equipment markets throughout the world. In the U.K. Deere claims sufficient progress, capturing over 10 per cent. of the market in which it is competing.

Deere had originally decided to put its main European headquarters in Britain, which is the

important, the company feels these figures help kill its previous image of being dependent on cyclical swings in the fortunes of farmers.

Although starting international operations much later than its main competitors, such as International Harvester and Massey-Ferguson, John Deere has established a manufacturing plant in Mannheim, Germany, and built up a significant share of the tractors and farm equipment markets throughout the world. In the U.K. Deere claims sufficient progress, capturing over 10 per cent. of the market in which it is competing.

Deere had originally decided to put its main European headquarters in Britain, which is the

important, the company feels these figures help kill its previous image of being dependent on cyclical swings in the fortunes of farmers.

Although starting international operations much later than its main competitors, such as International Harvester and Massey-Ferguson, John Deere has established a manufacturing plant in Mannheim, Germany, and built up a significant share of the tractors and farm equipment markets throughout the world. In the U.K. Deere claims sufficient progress, capturing over 10 per cent. of the market in which it is competing.

Deere had originally decided to put its main European headquarters in Britain, which is the

important, the company feels these figures help kill its previous image of being dependent on cyclical swings in the fortunes of farmers.

Although starting international operations much later than its main competitors, such as International Harvester and Massey-Ferguson, John Deere has established a manufacturing plant in Mannheim, Germany, and built up a significant share of the tractors and farm equipment markets throughout the world. In the U.K. Deere claims sufficient progress, capturing over 10 per cent. of the market in which it is competing.

Deere had originally decided to put its main European headquarters in Britain, which is the

important, the company feels these figures help kill its previous image of being dependent on cyclical swings in the fortunes of farmers.

Although starting international operations much later than its main competitors, such as International Harvester and Massey-Ferguson, John Deere has established a manufacturing plant in Mannheim, Germany, and built up a significant share of the tractors and farm equipment markets throughout the world. In the U.K. Deere claims sufficient progress, capturing over 10 per cent. of the market in which it is competing.

Deere had originally decided to put its main European headquarters in Britain, which is the

important, the company feels these figures help kill its previous image of being dependent on cyclical swings in the fortunes of farmers.

Although starting international operations much later than its main competitors, such as International Harvester and Massey-Ferguson, John Deere has established a manufacturing plant in Mannheim, Germany, and built up a significant share of the tractors and farm equipment markets throughout the world. In the U.K. Deere claims sufficient progress, capturing over 10 per cent. of the market in which it is competing.

Deere had originally decided to put its main European headquarters in Britain, which is the

important, the company feels these figures help kill its previous image of being dependent on cyclical swings in the fortunes of farmers.

Although starting international operations much later than its main competitors, such as International Harvester and Massey-Ferguson, John Deere has established a manufacturing plant in Mannheim, Germany, and built up a significant share of the tractors and farm equipment markets throughout the world. In the U.K. Deere claims sufficient progress, capturing over 10 per cent. of the market in which it is competing.

Deere had originally decided to put its main European headquarters in Britain, which is the

important, the company feels these figures help kill its previous image of being dependent on cyclical swings in the fortunes of farmers.

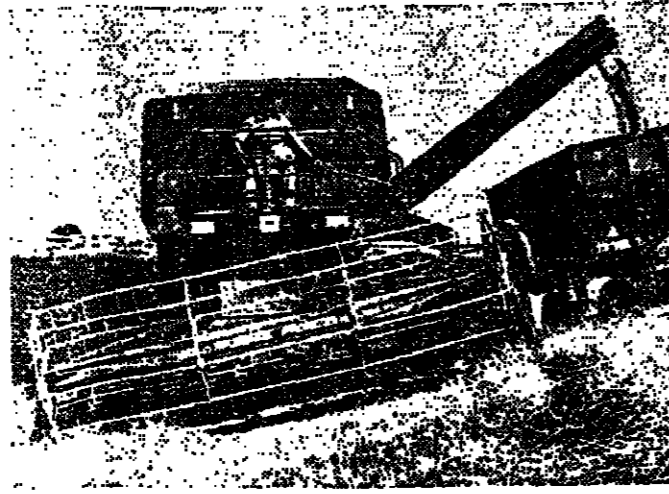
Although starting international operations much later than its main competitors, such as International Harvester and Massey-Ferguson, John Deere has established a manufacturing plant in Mannheim, Germany, and built up a significant share of the tractors and farm equipment markets throughout the world. In the U.K. Deere claims sufficient progress, capturing over 10 per cent. of the market in which it is competing.

Deere had originally decided to put its main European headquarters in Britain, which is the

important, the company feels these figures help kill its previous image of being dependent on cyclical swings in the fortunes of farmers.

Although starting international operations much later than its main competitors, such as International Harvester and Massey-Ferguson, John Deere has established a manufacturing plant in Mannheim, Germany, and built up a significant share of the tractors and farm equipment markets throughout the world. In the U.K. Deere claims sufficient progress, capturing over 10 per cent. of the market in which it is competing.

Deere had originally decided to put its main European headquarters in Britain, which is the



The John Deere 965H sidehill combine.

Xerox and Kodak in copier deal

By Jay Palmer

NEW YORK, Dec. 9. XEROX, the world's largest maker of office copiers, announced this evening that it has just signed an agreement with Eastman Kodak which provides for exchanges of world-wide patents on each company's line of office copiers.

The agreement specifically provides for such patent swaps on a non-exclusive basis. Each and every time one of the two companies elects to obtain a specific patent license, the other company automatically receives the right to obtain a similar license.

The deal, which some suspect may be challenged by the U.S. anti-trust authorities, covers all patents issued to both companies on office copiers, consumable copier parts and their photocopiers elements applied for prior to July 1978.

The swap has already been put into effect. This evening Kodak said it had asked for and has received one non-exclusive royalty-free and ten non-exclusive royalty-bearing licenses under 11 existing Xerox patents.

In return Xerox has received a non-exclusive royalty-free license under one Kodak patent. It has also automatically received the right to obtain in the future an additional number of royalty-bearing licenses.

The actual licenses exchanged under this scheme were not revealed by either company. However it has been strongly hinted that the licenses obtained by Kodak all apply in one way or another to Xerox's highly sophisticated 9200 duplicator. In return Kodak has given Xerox the license for the document fed to its 150AF Copier.

Under the terms of Xerox's anti-trust consent decree with the Federal Trade Commission last year, the huge copier company agreed to exchange and make its existing patents available to competitors. Thus it looks as if Kodak could have got Xerox's patents without giving up its own.

This evening, it is being suggested that the agreement is much more than just a swap of high technology. What the deal does do is remove for both companies the danger that future technical developments of their own could infringe the other company's existing patents and this expose the new product to time-wasting legal challenges.

While arguably neither Xerox or Kodak may have too much to gain directly in technical terms from this exchange, they have both obtained the freedom to introduce future equipment that infringes the other patents. Since the swaps exercised so far all apply to the fastest growing copier market, the high technology copiers, the deal looks as if it will be a key area of future expansion.

In terms of precedents for this deal, Xerox confirmed that it does have similar but far less encompassing agreements with other companies. Arguing that the patent protection umbrella is today far less important than it used to be, the company noted that in the computer hardware field, International Business Machines has very similar cross-licensing agreements with other companies.

Schlumberger split

SCHLUMBERGER said it declared a three-for-two stock split on Friday, January 17, record December 20, reports Reuter from New York.

Interest rate differential spurs Australian borrowing

BY JAMES FORTH

SYDNEY, Dec. 9.

THE DEVALUATION of the Australian dollar on November 28 made one import to Australia cheaper—money. Australian companies are now displaying a keen interest in bringing in cash from abroad as quickly as possible. The iron-ore producer, Hamersley Holdings, has already announced a \$1.58m. Eurobond borrowing.

The issue was not prompted by the devaluation. The funds will go towards the \$2.55m expansion programme announced by Hamersley recently to boost its iron ore output and the company has been working on the loan for some time. But devaluation brought forward the timing of the issue.

There is currently a differential of between 3 and 4 percentage points between Aus-

tralian domestic rates and those which can be obtained abroad. Hamersley, for instance, is looking at 8.5 per cent. for \$US.50m. of 7-year notes and 9.5 per cent. for \$US.50m. in 15-year debentures.

As part of recent monetary measures both before and accompanying the devaluation, interest rates have been pushed up sharply in Australia. Because of the depressed state of the Australian economy demand for fixed interest funds has been weak but the long rate should have risen by at least one point over the past month or so; it is now probably somewhere between 12 per cent. and 14 per cent. With the risk of devaluation largely removed the interest rate differential now appears decidedly attractive, and even if Australia were to devalue again in a couple of years' time, borrowers should still be well protected.

A belief that the Government had overdone things with a 17.5 per cent. devaluation added to the attractions of borrowing abroad. Any revaluation would mean profits for those borrowers fast enough off the mark to be in. Moreover, the size of the devaluation increased the possibility that overseas investors would send funds quickly to Australia to take advantage of the higher interest rates thereby inviting in turn the re-introduction of capital controls by the Australian Government.

It is suggested within the capital markets that the monetary authorities were deluged with a flood of applications by Australian companies within the first few days of devaluation. This desire was inspired by overseas. Among the names mentioned are several of Australia's largest companies including Broken Hill Proprietary, CSR, and Western Mining Corp. Companies of this calibre would be able to get the public fixed rate Eurobond borrowing route.

Because the funds could be arranged much quicker, it is possible that many companies will seek Eurocurrency borrowings at floating rates, rolling over at specified intervals. It is suggested that applications already total several hundred million dollars—perhaps as much as \$A1bn. Not all those with applications in will ultimately borrow but the authorities were apparently surprised and somewhat alarmed at the almost immediate steps to bring funds in from abroad after the devaluation was announced.

This would have boosted the money supply and increased inflationary pressures unless the Government made a stringent, and psychologically demoralising credit squeeze.

The sudden revaluation of 2 per cent. points, only nine days after the devaluation seems a little surprising. It may be a rush abroad by Australian companies for foreign debt.

SOUTH AFRICAN COMMISSIONS

Grasping the nettle

BY RICHARD ROFFE IN JOHANNESBURG

AFTER several years of attempts to regulate the life insurance industry in the South African insurance industry, the Government has grasped the nettle and opted for a wide range of controls which limit drastically the level of commission payable to brokers in both long- and short-term business. In the Parliamentary session which ended earlier this year, the Ministry of Finance passed legislation to impose statutory limits on commissions acting through the Registrar of Insurance Institutions, and it has lost no time in using its new powers.

Disagreement

Yesterday's announcement from the Minister of Finance, Mr. Owen Horwood, records that the insurers themselves have been unable to reach any agreement on voluntary controls. In addition, although a meeting last week of the Life Offices Association agreed to voluntary limitation within a scale requested by the registrar by the necessary three-quarters majority, some insurers refused to be bound by the decision. In the circumstances, the Ministry considered it had no alternative but to proceed with statutory regulations.

The new maximum commission rates bear most heavily on whole life and endowment policies and retirement annuities. The first year's commission on whole life and endowment policies is to be restricted to 31 per cent. of the annual premium for each year of the contract, subject to a maximum of 85 per cent., while on retirement annuities the restriction is to be 3 per cent. subject to a maximum of 75 per cent. of the annual premium. These limits take the place of commissions which in the past

have been as high as 125 per cent. on a premium basis, based on a complicated scale which varied according to the amount of business the life insurance broker wrote. As a broad generalisation, the new arrangements will favour the mutual companies such as Old Mutual, or Sanlam, and the agent-orientated public companies such as Prudential, African Eastern Commercial Union. It will prejudice the operations of other companies like Liberty Life, an associate of Guardian, and Guarantee Life, which have developed largely broker-orientated businesses.

On the broking side, the major companies, such as Price Forbes, which are mainly involved in short-term insurance, will probably be their life insurers at best at break-even point. But the specialised life insurance brokers, of which a number have grown up in recent years, say they will be unable to continue operations in their present form. The 35 per cent. maximum commission on life contracts translates back to an average commission of about 45 per cent. which is insufficient to cover overheads.

Independent brokers claim that there is an obvious inequity in quating their income with agents when many of the latter enjoy benefits such as cheap housing finance, cars, and the like, and they allege that allowing for these the cost to agent-orientated companies ranges much higher than 35 per cent. of the annual premium. The regulations skirt round this point by promising to seek "equivalents of income." In addition, they claim that many

innovations within the life industry, notably the disclosure of "allocation amounts," or the sums invested on behalf of policy holders after expenses—have arisen as a result of broker pressure. To this the agent-orientated insurers reply that the brokers have merely acquired "power without responsibility."

The irony of the whole situation seems to be that the regulation now to be implemented is intended to be in the public interest. But on average commission costs are running at no more than 4 per cent. of the total value of a life policy. The effect of the commission limitations will be to cut this figure back to about 31 per cent. It must be doubtful whether the public will see much of the savings, which are likely to be absorbed by the big groups in additional expenses.

A better way

Killing the independent life insurance broker simply means that more policies will be sold on behalf of particular companies by agents—whose average career in life insurance lasts no more than a year—instead of by highly specialised consultants who can advise clients on the best policy across the whole industry. In this respect a better way of protecting the public interest might have been to impose some system of qualifications and licensing for insurance salesmen of all categories. In conditions where benefits from conventional policies can vary immensely, loss specialisation seems a high price to pay in pursuit of cost reductions which may well prove illusory.

The Bamble Project continues



The underlying assumption was that bank finance was going to be needed on a scale so big that it would take several banks to supply it. Any loans would therefore need the participation of a number of international banks.

Brand's role, as the Relationship Manager, was in essence that of co-ordinating working together with industry specialists and Euro-market specialists to produce a package of financing acceptable to the borrowers and the participating banks. Satisfying the needs of three diverse customers and the demands of the banking markets was a task calling for skill, patience and not a little diplomacy.

CATALYST

Ultimately, Thiel says, the Bank was itself playing the role of a catalyst. The international loans, although big, were only part of a much wider package. The bank's job was also to assemble much of the project could support in total and to recommend how other types of finance, both domestic and international, should be utilised to create the proper balance.

Thiel emphasizes that the deal would have been impossible without the Norwegian banks. "We think it makes every sense to work with local banks as much as possible," he says.

The first step was to take a detailed look at whether Bamble made sense financially. Brand says, "We had to review the raw material availability, the competitiveness of the project, the capacity of the operators and the marketing arrangements for the products."

TEAM EFFORT

Inevitably much of the work was highly technical and Brand had to call on other departments of the Bank for help. "We had a team effort here. It's our strategy to pull in all areas within the Bank which can give specialist knowledge to provide the borrower with the best possible package that we can put together."

Chase has built up in-house technical expertise as a result of the formation of a number of industrial groups managed by technical experts. Their job is to provide expert advice on the viability of projects which the bank might want to finance. Bamble depended for its base materials upon the output of Ekofisk so at an early stage Brand brought in Jim Adamson, originally a petroleum engineer who heads the European Petroleum Co-ordination Division in London.

Adamson knew a lot about Ekofisk from the past. "I was asked to review the source of the feedstock," he says. "My task was to talk to my oil company contacts to determine the availability of the natural gas liquids. I went to Oslo to look into the forecasts on the supply contracts and subsequently visited oil companies in London to discuss production levels and the reasonableness of the plant owners' estimates."

On a similar basis, Ray Carasso, a chemical engineer and technical director of Chase's chemicals division in New York, was called in to advise on the viability of the ethylene and polyolefin plants, together with other international recognised firms, Chem Systems International, in the case of the polyolefin plants.

Meanwhile, work on the structuring of the financial package was proceeding. From the outset Brand had called in Peter Sterling, a project finance expert at Chase Manhattan Limited, Chase's London-based merchant banking arm.

Together their purpose was to devise a package which would satisfy the borrower's need and meet Chase and market requirements. An essential part of the overall financing was to be raised domestically and here the Norwegian banks, Andreassen Bank for the first stage and Den norske Creditbank for the second, played a leading role.

"A major problem," Brand recalls, "was that we were dealing with three very different entities." To ease the marketing process it was agreed that the loans for all three partners should be arranged simultaneously, although there was no joint financial responsibility and each was borrowing individually.

On a similar basis, Ray Carasso, a chemical engineer and technical director of Chase's chemicals division in New York, was called in to advise on the viability of the ethylene and polyolefin plants, together with other international recognised firms, Chem Systems International, in the case of the polyolefin plants.

Meanwhile, work on the structuring of the financial package was proceeding. From the outset Brand had called in Peter Sterling, a project finance expert at Chase Manhattan Limited, Chase's London-based merchant banking arm.

Together their purpose was to devise a package which would satisfy the borrower's need and meet Chase and market requirements. An essential part of the overall financing was to be raised domestically and here the Norwegian banks, Andreassen Bank for the first stage and Den norske Creditbank for the second, played a leading role.

"A major problem," Brand recalls, "was that we were dealing with three very different entities." To ease the marketing process it was agreed that the loans for all three partners should be arranged simultaneously, although there was no joint financial responsibility and each was borrowing individually.

On a similar basis, Ray Carasso, a chemical engineer and technical director of Chase's chemicals division in New York, was called in to advise on the viability of the ethylene and polyolefin plants, together with other international recognised firms, Chem Systems International, in the case of the polyolefin plants.

Meanwhile, work on the structuring of the financial package was proceeding. From the outset Brand had called in Peter Sterling, a project finance expert at Chase Manhattan Limited, Chase's London-based merchant banking arm.

Together their purpose was to devise a package which would satisfy the borrower's need and meet Chase and market requirements. An essential part of the overall financing was to be raised domestically and here the Norwegian banks, Andreassen Bank for the first stage and Den norske Creditbank for the second, played a leading role.

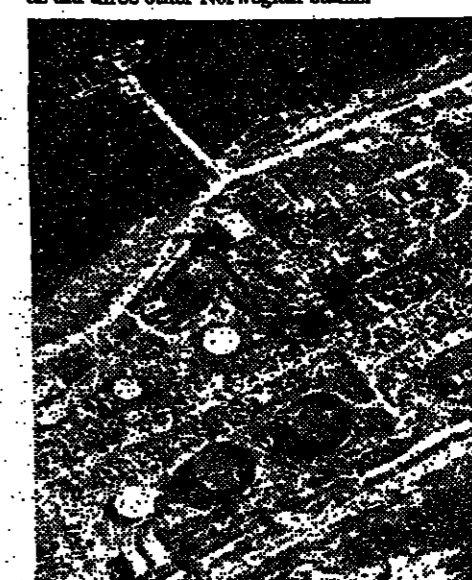
"A major problem," Brand recalls, "was that we were dealing with three very different entities." To ease the marketing process it was agreed that the loans for all three partners should be arranged simultaneously, although there was no joint financial responsibility and each was borrowing individually.

THE SYNDICATION

As the final touches were added to the package and discussions were started with other international banks, Chase Manhattan Limited took on an increasingly important role. Andrew Greatrex in charge of Western European syndication says, "It became pretty much a full-time commitment for two people at CML for six months. I went to Norway about six times, mostly well before the loan signing."

It took two to three months to finalise the financing structure in agreement with the three partners and to incorporate it in the form of explanatory and legal documents necessary for other banks to assess the deal and decide whether or not they might be interested. By January 1976, however, CML was ready to take the deal into the market.

For the \$33 million Saga financing, which was arranged together with Den norske Creditbank, CML went to a restricted group of banks from Europe and North America. All eight of the international banks invited agreed to participate, as did three other Norwegian banks.



Construction in September 1975.

The \$120 million loan, being bigger and comprising three individual financings, took more organising. Chase underwrote 50 per cent. of the loan. Five Norwegian banks came in as managers. Seven international banks, essentially among those closest to the three borrowers, were each offered participation as co-managers. Not one declined. By the time the deal had been fully syndicated 26 banks had joined in, and the loan was heavily oversubscribed.

THE CONCLUSION

Attitudes towards the loan, Greatrex notes, were very positive, largely because of the recognised viability of the projects, the standing of the borrowers and the groundwork that had gone into the preparation of the placement documents. Even so, it took over two months from the first approach to the market to the signing ceremonies in Oslo and London.



The ethylene cracker at Bamble. Completion is scheduled in 1977.

Air-photo: Fjellanger Widerøe AS

On a similar basis, Ray Carasso, a chemical engineer and technical director of Chase's chemicals division in New York, was called in to advise on the viability of the ethylene and polyolefin plants, together with other international recognised firms, Chem Systems International, in the case of the polyolefin plants.

Meanwhile, work on the structuring of the financial package was proceeding. From the outset Brand had called in Peter Sterling, a project finance expert at Chase Manhattan Limited, Chase's London-based merchant banking arm.

Together their purpose was to devise a package which would satisfy the borrower's need and meet Chase and market requirements. An essential part of the overall financing was to be raised domestically and here the Norwegian banks, Andreassen Bank for the first stage and Den norske Creditbank for the second, played a leading role.

"A major problem," Brand recalls, "was that we were dealing with three very different entities." To ease the marketing process it was agreed that the loans for all three partners should be arranged simultaneously, although there was no joint financial responsibility and each was borrowing individually.

On a similar basis, Ray Carasso, a chemical engineer and technical director of Chase's chemicals division in New York, was called in to advise on the viability of the ethylene and polyolefin plants, together with other international recognised firms, Chem Systems International, in the case of the polyolefin plants.

Meanwhile, work on the structuring of the financial package was proceeding. From the outset Brand had called in Peter Sterling, a project finance expert at Chase Manhattan Limited, Chase's London-based merchant banking arm.

Together their purpose was to devise a package which would satisfy the borrower's need and meet Chase and market requirements. An essential part of the overall financing was to be raised domestically and here the Norwegian banks, Andreassen Bank for the first stage and Den norske Creditbank for the second, played a leading role.

CHASE



J. SMART & CO.

(CONTRACTORS) LTD.

The following is the circulated review of Mr. J. Smart, Chairman and Managing Director for the year ended 31 July 1976

Accounts

The Group profit for the year amounts to £1,443,178 compared with a profit of £928,582 and the Board's forecast in May this year of £1,410,000. This profit has been arrived at after a charge for depreciation amounting to £370,735 (£366,178).

The Board is recommending a Final Dividend of 3.618007p gross, 3.251704p net, making a total for the year of 5.002922p gross, 4.547886p net, as compared with 4.547886p gross for the previous year. Were it not for the restrictions at present in force, the Directors would have felt justified in recommending a much greater increase in the Dividend. After waivers by myself and my family, the Dividends will cost the Company £80,761.

Unappropriated profits for the year amounted to £819,680 bringing the consolidated net assets for the Group to £3,129,555.

Trading Activities

The results now reported constitute a record in the history of the Company. A high level of completions was achieved during the year, many contracts being completed well ahead of schedule, and all members of the Group traded profitably.

Future Prospects

In the current year, completions are continuing on, and ahead of schedule. In highly competitive conditions members of the Group are obtaining their due share of the available work. Work in hand covers a wide range including Public and Private Housing, Schools, Factories and Commercial Buildings. The Board is actively seeking profitable employment for the ample financial resources at the Company's disposal.

In view of current and future uncertainties, it is not possible to forecast the year's outcome, but I am confident that the Group will give a good account of itself.

EMRAY LIMITED

INTERIM REPORT FOR HALF YEAR ENDED

JUNE 30TH, 1976

(subject to audit)

| | 6 months ended | 6 months ended | 12 months ended |
|---|----------------|----------------|-----------------|
| | 1976 | 1975 | 1975 |
| Group Turnover | 1,311 | 1,629 | 3,721 |
| Group Profit after taxation | 102 | 189 | 340 |
| Taxation | 84 | 156 | 309 |
| Group Profit after taxation attributable to members | 76 | 127 | 216 |

As stated in the Annual Report dated 7th July 1976, business in the current year is adversely affected by severe import licensing, price control and exchange control

جوئیہ نیوز

UGE PROJECT. REE COMPANIES FORMED D PARTNERSHIP. OOK FUNDS. IT TOOK EXPERTISE. OOK CHASE.

*l to review the raw material availability; the competitiveness of the project,
icity of the operators and
keting arrangements for the products," says Chase.*

It started with Ekofisk, one of the richest oil fields in the North Sea. Three Norwegian companies agreed to take the oil by-products and help turn them into plastic.

Norsk Hydro, Statoil and Saga Petrolkem chose Chase to advise how the project should be structured financially and to raise funds internationally. They knew we had the means.

One of our relationship managers was put in charge. His job was to look at the viability of the whole project. Then to look at the different sources of finance. And finally to assemble a package. He called in the bank's petroleum experts to assess the availability of raw materials.

He called in our petrochemical experts to look at the project as a whole and together with independent petrochemical consultants to look at the polyolefin plants and their prospects.

He called in our merchant bank, Chase Manhattan Limited, to help structure and eventually place Euroloans totalling over \$150 million in the international markets.

Two Norwegian banks worked on the domestic financing and assisted him in assembling the total package.

The project was big, ambitious and complicated.

That is why we are telling the story in this advertisement.

Just an example. The Bamble Project.



These people on the Bamble Project from left to right: Andrew Greatrex, Executive Director of Chase Manhattan Limited, George Thiel, Head of the Nordic Area, Jim Adamson, Head of the European Petroleum Division and Andre Brand, Chase Relationship Manager.

and four months Andre Brand lived usly with the Bamble Project. Between and March 1976 the giant petrochemical g in the folds of what was once virgin gian fjord, occupied around f his working life. "I have lost count of mes I went to Norway in connection t, but it must have been more than 25" sed Brand. rt was devoted to the assembling of two packages totalling over \$150 million, for etrochemical man but a Relationship use Manhattan Bank's Nordic Area. . It was a measure of the complexity of t that he and several other senior different parts of the bank should have hemselves to it for so long.

MPANIES RSHIP

scame involved when the Bank was potential source of credit by Norsk Hydro, t company and one of three companies l forces to build a huge new complex of munity of Bamble. The others were wagian government-owned oil company

and Saga Petrolkem, part of the Saga group formed by 96 leading Norwegian companies to participate in the development of North Sea petroleum resources; Bamble was to be a major step towards establishing a large petrochemical industry based on Norwegian sector feedstocks.

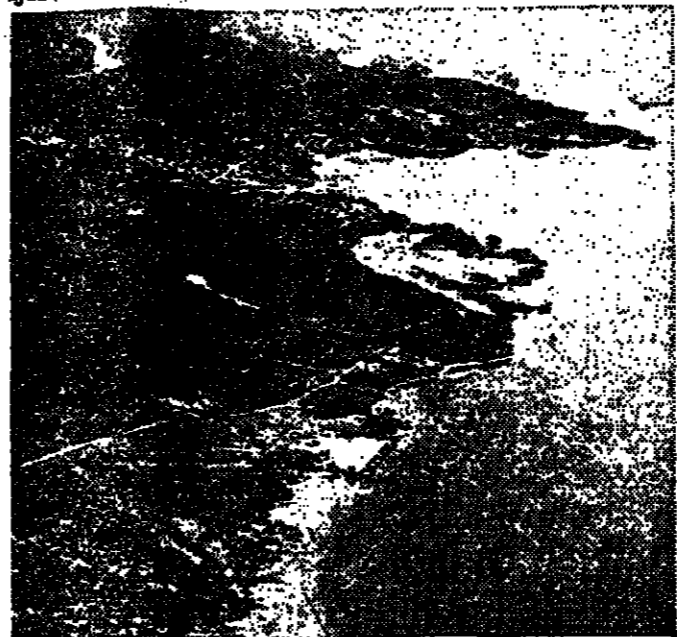
The approach to Chase reflected the bank's increased involvement in the Norwegian market during the last three years. Previously Chase had arranged a \$200 million syndicated Eurocredit for Norsk Hydro in 1974. "After what we had already done in international petroleum financing, the three partners were prepared to give us first chance with Bamble", Brand says.

THE PROJECT

Bamble was designed to exploit by-products of the oil produced by the Ekofisk field in the North Sea. Ekofisk is located in the Norwegian sector but it had proved technically more convenient to pipe the oil ashore at Teesside in England rather than in Norway.

The Norwegian government agreed to this arrangement on the understanding that the natural gas liquids would be brought back in tankers to a petrochemical complex built on a green-field site in Norway. Bamble was chosen among other reasons because it was located on deep water and Norsk Hydro's

large chemical plant complex at Porsgrunn across the fjord and the industrial environment in this area provided



Part of the Bamble-plant site, a farmland adjoining a Norwegian fjord.

some of the necessary infrastructure for a large project such as this.

The project involving the three companies as partners comprised two stages. First was to be an ethylene plant. Its production target was 300,000 tons a year of ethylene and 50,000/70,000 tons of propylene. Half the ethylene would be absorbed in a Norsk Hydro vinyl chloride plant which was to be built nearby and the other half in the second stage polyolefin plants. This second stage would produce plastics suitable for ultimate conversion into a wide range of consumer and industrial products.

A PROPOSAL

The objective was clearly defined. One question was how to finance it. The three partners invited Chase to look at the project and come up with a proposal for an international financing.

Chase's philosophy when dealing with projects like Bamble, points out George Thiel, head of the Bank's Nordic Area, is centred upon its concept of the Relationship Manager. "It is not a question of sending a man in to do one deal, take a fee and then get out. The leadership of the team comes from the man who has the long-term relationship with the customer", he says.

continued ...

FT SHARE INFORMATION SERVICE

ENGINEERING—Continued

| ENGINEERING—Continued | | | | | | | | | |
|-----------------------|-------|------|-------|------|-------|------|-------|------|-------|
| 1939 | | 1940 | | 1941 | | 1942 | | 1943 | |
| Rank | Score | Rank | Score | Rank | Score | Rank | Score | Rank | Score |
| 96 | 74 | 96 | 74 | 96 | 74 | 96 | 74 | 96 | 74 |
| 97 | 74 | 97 | 74 | 97 | 74 | 97 | 74 | 97 | 74 |
| 98 | 74 | 98 | 74 | 98 | 74 | 98 | 74 | 98 | 74 |
| 99 | 74 | 99 | 74 | 99 | 74 | 99 | 74 | 99 | 74 |
| 100 | 74 | 100 | 74 | 100 | 74 | 100 | 74 | 100 | 74 |
| 101 | 74 | 101 | 74 | 101 | 74 | 101 | 74 | 101 | 74 |
| 102 | 74 | 102 | 74 | 102 | 74 | 102 | 74 | 102 | 74 |
| 103 | 74 | 103 | 74 | 103 | 74 | 103 | 74 | 103 | 74 |
| 104 | 74 | 104 | 74 | 104 | 74 | 104 | 74 | 104 | 74 |
| 105 | 74 | 105 | 74 | 105 | 74 | 105 | 74 | 105 | 74 |
| 106 | 74 | 106 | 74 | 106 | 74 | 106 | 74 | 106 | 74 |
| 107 | 74 | 107 | 74 | 107 | 74 | 107 | 74 | 107 | 74 |
| 108 | 74 | 108 | 74 | 108 | 74 | 108 | 74 | 108 | 74 |
| 109 | 74 | 109 | 74 | 109 | 74 | 109 | 74 | 109 | 74 |
| 110 | 74 | 110 | 74 | 110 | 74 | 110 | 74 | 110 | 74 |
| 111 | 74 | 111 | 74 | 111 | 74 | 111 | 74 | 111 | 74 |
| 112 | 74 | 112 | 74 | 112 | 74 | 112 | 74 | 112 | 74 |
| 113 | 74 | 113 | 74 | 113 | 74 | 113 | 74 | 113 | 74 |
| 114 | 74 | 114 | 74 | 114 | 74 | 114 | 74 | 114 | 74 |
| 115 | 74 | 115 | 74 | 115 | 74 | 115 | 74 | 115 | 74 |
| 116 | 74 | 116 | 74 | 116 | 74 | 116 | 74 | 116 | 74 |
| 117 | 74 | 117 | 74 | 117 | 74 | 117 | 74 | 117 | 74 |
| 118 | 74 | 118 | 74 | 118 | 74 | 118 | 74 | 118 | 74 |
| 119 | 74 | 119 | 74 | 119 | 74 | 119 | 74 | 119 | 74 |
| 120 | 74 | 120 | 74 | 120 | 74 | 120 | 74 | 120 | 74 |
| 121 | 74 | 121 | 74 | 121 | 74 | 121 | 74 | 121 | 74 |
| 122 | 74 | 122 | 74 | 122 | 74 | 122 | 74 | 122 | 74 |
| 123 | 74 | 123 | 74 | 123 | 74 | 123 | 74 | 123 | 74 |
| 124 | 74 | 124 | 74 | 124 | 74 | 124 | 74 | 124 | 74 |
| 125 | 74 | 125 | 74 | 125 | 74 | 125 | 74 | 125 | 74 |
| 126 | 74 | 126 | 74 | 126 | 74 | 126 | 74 | 126 | 74 |
| 127 | 74 | 127 | 74 | 127 | 74 | 127 | 74 | 127 | 74 |
| 128 | 74 | 128 | 74 | 128 | 74 | 128 | 74 | 128 | 74 |
| 129 | 74 | 129 | 74 | 129 | 74 | 129 | 74 | 129 | 74 |
| 130 | 74 | 130 | 74 | 130 | 74 | 130 | 74 | 130 | 74 |
| 131 | 74 | 131 | 74 | 131 | 74 | 131 | 74 | 131 | 74 |
| 132 | 74 | 132 | 74 | 132 | 74 | 132 | 74 | 132 | 74 |
| 133 | 74 | 133 | 74 | 133 | 74 | 133 | 74 | 133 | 74 |
| 134 | 74 | 134 | 74 | 134 | 74 | 134 | 74 | 134 | 74 |
| 135 | 74 | 135 | 74 | 135 | 74 | 135 | 74 | 135 | 74 |
| 136 | 74 | 136 | 74 | 136 | 74 | 136 | 74 | 136 | 74 |
| 137 | 74 | 137 | 74 | 137 | 74 | 137 | 74 | 137 | 74 |
| 138 | 74 | 138 | 74 | 138 | 74 | 138 | 74 | 138 | 74 |
| 139 | 74 | 139 | 74 | 139 | 74 | 139 | 74 | 139 | 74 |
| 140 | 74 | 140 | 74 | 140 | 74 | 140 | 74 | 140 | 74 |
| 141 | 74 | 141 | 74 | 141 | 74 | 141 | 74 | 141 | 74 |
| 142 | 74 | 142 | 74 | 142 | 74 | 142 | 74 | 142 | 74 |
| 143 | 74 | 143 | 74 | 143 | 74 | 143 | 74 | 143 | 74 |
| 144 | 74 | 144 | 74 | 144 | 74 | 144 | 74 | 144 | 74 |
| 145 | 74 | 145 | 74 | 145 | 74 | 145 | 74 | 145 | 74 |
| 146 | 74 | 146 | 74 | 146 | 74 | 146 | 74 | 146 | 74 |
| 147 | 74 | 147 | 74 | 147 | 74 | 147 | 74 | 147 | 74 |
| 148 | 74 | 148 | 74 | 148 | 74 | 148 | 74 | 148 | 74 |
| 149 | 74 | 149 | 74 | 149 | 74 | 149 | 74 | 149 | 74 |
| 150 | 74 | 150 | 74 | 150 | 74 | 150 | 74 | 150 | 74 |
| 151 | 74 | 151 | 74 | 151 | 74 | 151 | 74 | 151 | 74 |
| 152 | 74 | 152 | 74 | 152 | 74 | 152 | 74 | 152 | 74 |
| 153 | 74 | 153 | 74 | 153 | 74 | 153 | 74 | 153 | 74 |
| 154 | 74 | 154 | 74 | 154 | 74 | 154 | 74 | 154 | 74 |
| 155 | 74 | 155 | 74 | 155 | 74 | 155 | 74 | 155 | 74 |
| 156 | 74 | 156 | 74 | 156 | 74 | 156 | 74 | 156 | 74 |
| 157 | 74 | 157 | 74 | 157 | 74 | 157 | 74 | 157 | 74 |
| 158 | 74 | 158 | 74 | 158 | 74 | 158 | 74 | 158 | 74 |
| 159 | 74 | 159 | 74 | 159 | 74 | 159 | 74 | 159 | 74 |
| 160 | 74 | 160 | 74 | 160 | 74 | 160 | 74 | 160 | 74 |
| 161 | 74 | 161 | 74 | 161 | 74 | 161 | 74 | 161 | 74 |
| 162 | 74 | 162 | 74 | 162 | 74 | 162 | 74 | 162 | 74 |
| 163 | 74 | 163 | 74 | 163 | 74 | 163 | 74 | 163 | 74 |
| 164 | 74 | 164 | 74 | 164 | 74 | 164 | 74 | 164 | 74 |
| 165 | 74 | 165 | 74 | 165 | 74 | 165 | 74 | 165 | 74 |
| 166 | 74 | 166 | 74 | 166 | 74 | 166 | 74 | 166 | 74 |
| 167 | 74 | 167 | 74 | 167 | 74 | 167 | 74 | 167 | 74 |
| 168 | 74 | 168 | 74 | 168 | 74 | 168 | 74 | 168 | 74 |
| 169 | 74 | 169 | 74 | 169 | 74 | 169 | 74 | 169 | 74 |
| 170 | 74 | 170 | 74 | 170 | 74 | 170 | 74 | 170 | 74 |
| 171 | 74 | 171 | 74 | 171 | 74 | 171 | 74 | 171 | 74 |
| 172 | 74 | 172 | 74 | 172 | 74 | 172 | 74 | 172 | 74 |
| 173 | 74 | 173 | 74 | 173 | 74 | 173 | 74 | 173 | 74 |
| 174 | 74 | 174 | 74 | 174 | 74 | 174 | 74 | 174 | 74 |
| 175 | 74 | 175 | 74 | 175 | 74 | 175 | 74 | 175 | 74 |
| 176 | 74 | 176 | 74 | 176 | 74 | 176 | 74 | 176 | 74 |
| 177 | 74 | 177 | 74 | 177 | 74 | 177 | 74 | 177 | 74 |
| 178 | 74 | 178 | 74 | 178 | 74 | 178 | 74 | 178 | 74 |
| 179 | 74 | 179 | 74 | 179 | 74 | 179 | 74 | 179 | 74 |
| 180 | 74 | 180 | 74 | 180 | 74 | 180 | 74 | 180 | 74 |
| 181 | 74 | 181 | 74 | 181 | 74 | 181 | 74 | 181 | 74 |
| 182 | 74 | 182 | 74 | 182 | 74 | 182 | 74 | 182 | 74 |
| 183 | 74 | 183 | 74 | 183 | 74 | 183 | 74 | 183 | 74 |
| 184 | 74 | 184 | 74 | 184 | 74 | 184 | 74 | 184 | 74 |
| 185 | 74 | 185 | 74 | 185 | 74 | 185 | 74 | 185 | 74 |
| 186 | 74 | 186 | 74 | 186 | 74 | 186 | 74 | 186 | 74 |
| 187 | 74 | 187 | 74 | 187 | 74 | 187 | 74 | 187 | 74 |
| 188 | 74 | 188 | 74 | 188 | 74 | 188 | 74 | 188 | 74 |
| 189 | 74 | 189 | 74 | 189 | 74 | 189 | 74 | 189 | 74 |
| 190 | 74 | 190 | 74 | 190 | 74 | 190 | 74 | 190 | 74 |
| 191 | 74 | 191 | 74 | 191 | 74 | 191 | 74 | 191 | 74 |
| 192 | 74 | 192 | 74 | 192 | 74 | 192 | 74 | 192 | 74 |
| 193 | 74 | 193 | 74 | 193 | 74 | 193 | 74 | 193 | 74 |
| 194 | 74 | 194 | 74 | 194 | 74 | 194 | 74 | 194 | 74 |
| 195 | 74 | 195 | 74 | 195 | 74 | 195 | 74 | 195 | 74 |
| 196 | 74 | 196 | 74 | 196 | 74 | 196 | 74 | 196 | 74 |
| 197 | 74 | 197 | 74 | 197 | 74 | 197 | 74 | 197 | 74 |
| 198 | 74 | 198 | 74 | 198 | 74 | 198 | 74 | 198 | 74 |
| 199 | 74 | 199 | 74 | 199 | 74 | 199 | 74 | 199 | 74 |
| 200 | 74 | 200 | 74 | 200 | 74 | 200 | 74 | 200 | 74 |

[illegible]

INDUSTRIALS

| | | (Miscel.) | | | |
|----|-----|----------------|-----|-----|-------|
| 10 | 122 | AAT | 100 | 101 | 101 |
| 11 | 123 | A. J. J. J. J. | 101 | 102 | 102 |
| 12 | 124 | A. J. J. J. J. | 102 | 103 | 103 |
| 13 | 125 | A. J. J. J. J. | 103 | 104 | 104 |
| 14 | 126 | A. J. J. J. J. | 104 | 105 | 105 |
| 15 | 127 | A. J. J. J. J. | 105 | 106 | 106 |
| 16 | 128 | A. J. J. J. J. | 106 | 107 | 107 |
| 17 | 129 | A. J. J. J. J. | 107 | 108 | 108 |
| 18 | 130 | A. J. J. J. J. | 108 | 109 | 109 |
| 19 | 131 | A. J. J. J. J. | 109 | 110 | 110 |
| 20 | 132 | A. J. J. J. J. | 110 | 111 | 111 |
| 21 | 133 | A. J. J. J. J. | 111 | 112 | 112 |
| 22 | 134 | A. J. J. J. J. | 112 | 113 | 113 |
| 23 | 135 | A. J. J. J. J. | 113 | 114 | 114 |
| 24 | 136 | A. J. J. J. J. | 114 | 115 | 115 |
| 25 | 137 | A. J. J. J. J. | 115 | 116 | 116 |
| 26 | 138 | A. J. J. J. J. | 116 | 117 | 117 |
| 27 | 139 | A. J. J. J. J. | 117 | 118 | 118 |
| 28 | 140 | A. J. J. J. J. | 118 | 119 | 119 |
| 29 | 141 | A. J. J. J. J. | 119 | 120 | 120 |
| 30 | 142 | A. J. J. J. J. | 120 | 121 | 121 |
| 31 | 143 | A. J. J. J. J. | 121 | 122 | 122 |
| 32 | 144 | A. J. J. J. J. | 122 | 123 | 123 |
| 33 | 145 | A. J. J. J. J. | 123 | 124 | 124 |
| 34 | 146 | A. J. J. J. J. | 124 | 125 | 125 |
| 35 | 147 | A. J. J. J. J. | 125 | 126 | 126 |
| 36 | 148 | A. J. J. J. J. | 126 | 127 | 127 |
| 37 | 149 | A. J. J. J. J. | 127 | 128 | 128 |
| 38 | 150 | A. J. J. J. J. | 128 | 129 | 129 |
| 39 | 151 | A. J. J. J. J. | 129 | 130 | 130 |
| 40 | 152 | A. J. J. J. J. | 130 | 131 | 131 |
| 41 | 153 | A. J. J. J. J. | 131 | 132 | 132 |
| 42 | 154 | A. J. J. J. J. | 132 | 133 | 133 |
| 43 | 155 | A. J. J. J. J. | 133 | 134 | 134 |
| 44 | 156 | A. J. J. J. J. | 134 | 135 | 135 |
| 45 | 157 | A. J. J. J. J. | 135 | 136 | 136 |
| 46 | 158 | A. J. J. J. J. | 136 | 137 | 137 |
| 47 | 159 | A. J. J. J. J. | 137 | 138 | 138 |
| 48 | 160 | A. J. J. J. J. | 138 | 139 | 139 |
| 49 | 161 | A. J. J. J. J. | 139 | 140 | 140 |
| 50 | 162 | A. J. J. J. J. | 140 | 141 | 141 |
| 51 | 163 | A. J. J. J. J. | 141 | 142 | 142 |
| 52 | 164 | A. J. J. J. J. | 142 | 143 | 143 |
| 53 | 165 | A. J. J. J. J. | 143 | 144 | 144 |
| 54 | 166 | A. J. J. J. J. | 144 | 145 | 145 |
| 55 | 167 | A. J. J. J. J. | 145 | 146 | 146 |
| 56 | 168 | A. J. J. J. J. | 146 | 147 | 147 |
| 57 | 169 | A. J. J. J. J. | 147 | 148 | 148 |
| 58 | 170 | A. J. J. J. J. | 148 | 149 | 149 |
| 59 | 171 | A. J. J. J. J. | 149 | 150 | 150 |
| 60 | 172 | A. J. J. J. J. | 150 | 151 | 151 |
| 61 | 173 | A. J. J. J. J. | 151 | 152 | 152 |
| 62 | 174 | A. J. J. J. J. | 152 | 153 | 153 |
| 63 | 175 | A. J. J. J. J. | 153 | 154 | 154 |
| 64 | 176 | A. J. J. J. J. | 154 | 155 | 155 |
| 65 | 177 | A. J. J. J. J. | 155 | 156 | 156 |
| 66 | 178 | A. J. J. J. J. | 156 | 157 | 157 |
| 67 | 179 | A. J. J. J. J. | 157 | 158 | 158 |
| 68 | 180 | A. J. J. J. J. | 158 | 159 | 159 |
| 69 | 181 | A. J. J. J. J. | 159 | 160 | 160 |
| 70 | 182 | A. J. J. J. J. | 160 | 161 | 161 |
| 71 | 183 | A. J. J. J. J. | 161 | 162 | 162 |
| 72 | 184 | A. J. J. J. J. | 162 | 163 | 163 |
| 73 | 185 | A. J. J. J. J. | 163 | 164 | 164 |
| 74 | 186 | A. J. J. J. J. | 164 | 165 | 165 |
| 75 | 187 | A. J. J. J. J. | 165 | 166 | 166 |
| 76 | 188 | A. J. J. J. J. | 166 | 167 | 167 |
| 77 | 189 | A. J. J. J. J. | 167 | 168 | 168 |
| 78 | 190 | A. J. J. J. J. | 168 | 169 | 169</ |

ELECTRICAL AND RADIO

[illegible][illegible]

ENGINEERING, MACHINE TOOLS

| | | | | | |
|-----|-----------------|-----|----|------|---------|
| 35 | Lawrence Scott | 61 | +1 | 2/72 | 62/10-2 |
| 38 | Joe Rading | 90 | -2 | 1/72 | 62/10-2 |
| 40 | John R. Smith | 113 | -3 | 3/72 | 62/10-2 |
| 41 | Mairhead | 113 | -3 | 3/72 | 62/10-2 |
| 42 | Norman Jones | 113 | -3 | 3/72 | 62/10-2 |
| 43 | Norman Jones | 113 | -3 | 3/72 | 62/10-2 |
| 44 | Peter Elmsley | 113 | -3 | 3/72 | 62/10-2 |
| 45 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 46 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 47 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 48 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 49 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 50 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 51 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 52 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 53 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 54 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 55 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 56 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 57 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 58 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 59 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 60 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 61 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 62 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 63 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 64 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 65 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 66 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 67 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 68 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 69 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 70 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 71 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 72 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 73 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 74 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 75 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 76 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 77 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 78 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 79 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 80 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 81 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 82 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 83 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 84 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 85 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 86 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 87 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 88 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 89 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 90 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 91 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 92 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 93 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 94 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 95 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 96 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 97 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 98 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 99 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |
| 100 | Philip P. F. M. | 113 | -3 | 3/72 | 62/10-2 |

[illegible]

NEMAS, THEATRES AND TV

[illegible]

| | | | | | |
|----|------------------|-----|-----|------|--------|
| 32 | Old Wm. Group | 42 | 1-1 | 4.2 | 9.16 |
| 30 | Victoria | 135 | | 4.3 | 9.1 |
| 44 | Victoria Phoenix | 71 | | 4.2 | 9.0 |
| 49 | W.G.I. | 85 | | 4.5 | 9.0 |
| 58 | Washington | 65 | | 4.3 | 9.14 |
| 52 | Wayne Institute | 83 | | 4.10 | 2.0119 |
| 51 | Wilder (C. W.) | 104 | | 2.95 | 1.4 |
| 36 | Windsor | 37 | | 3.4 | 2.9155 |
| 28 | Winnipeg | 27 | | 1.97 | 3.7112 |
| 26 | Winnipeg 2nd | 25 | | 1.98 | 3.7128 |
| 13 | Woods Assoc. Wm. | 15 | | 3.9 | 3.8188 |
| 54 | Wright Group | 70 | | 4.1 | 3.918 |

DRAPERY AND STORES

| | | | | | | | |
|----|------------------|----|-------|------|-------|-------|-------|
| 45 | Stewart Plains | 73 | +1 | 2.59 | 4.4 | 5.3 | 5.5 |
| 46 | Story Line | 73 | ..... | 1.51 | ..... | ..... | ..... |
| 47 | Parade (Box) Up | 73 | +1 | 2.11 | 4.4 | 5.3 | 5.5 |
| 52 | Willows Frs. 20p | 86 | ..... | 2.27 | 3.3 | 3.3 | 3.3 |
| 82 | Turks Comm. | 86 | ..... | 1.28 | 2.4 | 6.9 | 8.8 |

| CINEMAS, THEATRES AND TV | | | | | | | |
|--------------------------|-------------------------|----|-------|-------|-------|-------|-------|
| 69 | Anglia TV "A"..... | 59 | +3 | 6.8 | 3.9 | 12.1 | 12.1 |
| 48 | Ass. Tele. "A"..... | 57 | ..... | 1.62 | 1.6 | 2.7 | 2.7 |
| 18 | Grosvenor "A" 3p | 58 | ..... | 1.52 | 2.5 | 12.2 | 12.2 |
| 19 | Griffin "A" 7p & 9.20p. | 11 | ..... | ..... | ..... | ..... | ..... |
| 50 | H.T. "A"..... | 44 | +1 | 5.8 | 1.6 | 16.7 | 16.7 |
| 57 | Rediff. TV Prod. 21 | 58 | ..... | 5.95 | 19.4 | 18.3 | 18.3 |
| 19 | Rediff. TV Prod. 21 | 58 | ..... | 5.95 | 19.4 | 18.3 | 18.3 |
| 21 | Rediff. TV "A" 10p. | 27 | ..... | 12.1 | 12.1 | 12.1 | 12.1 |
| 21 | Later TV "A"..... | 34 | ..... | 3.3 | 3.1 | 15.8 | 15.8 |
| 13 | Reinhard TV 10p. | 15 | ..... | 3.5 | 4.9 | 16.5 | 16.5 |

| DRAPERY AND STORES | | | | | | | |
|--------------------|--|--|--|--|--|--|--|
|--------------------|--|--|--|--|--|--|--|

| | | | | | |
|-----|---------------|-----|------|-----|------|
| 120 | Address Group | 130 | 6.94 | 3.8 | 8.2 |
| 41 | Alonso, Ray | 131 | 7.03 | 3.8 | 8.2 |
| 41 | Alonso, Ray | 132 | 7.12 | 1.1 | 12.5 |
| 41 | Alonso, Ray | 25 | 6.1 | 3.4 | 15.6 |
| 41 | Alonso, Ray | 26 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 27 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 28 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 29 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 30 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 31 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 32 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 33 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 34 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 35 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 36 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 37 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 38 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 39 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 40 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 41 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 42 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 43 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 44 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 45 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 46 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 47 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 48 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 49 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 50 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 51 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 52 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 53 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 54 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 55 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 56 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 57 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 58 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 59 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 60 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 61 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 62 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 63 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 64 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 65 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 66 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 67 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 68 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 69 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 70 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 71 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 72 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 73 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 74 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 75 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 76 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 77 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 78 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 79 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 80 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 81 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 82 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 83 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 84 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 85 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 86 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 87 | 6.1 | 3.4 | 15.6 |
| 31* | Alonso, Ray | 88 | 6.1 | 3.4 | 15.6 |

FOOD, GROCERIES, ETC.

| | | | | | | | | |
|-----|---------------|-----|----|--------|------|------|---|---|
| 17 | Amber Day 10p | 18m | 11 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 18 | Amber Day 10p | 18m | 12 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 19 | Amber Day 10p | 18m | 13 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 20 | Amber Day 10p | 18m | 14 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 21 | Amber Day 10p | 18m | 15 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 22 | Amber Day 10p | 18m | 16 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 23 | Amber Day 10p | 18m | 17 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 24 | Amber Day 10p | 18m | 18 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 25 | Amber Day 10p | 18m | 19 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 26 | Amber Day 10p | 18m | 20 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 27 | Amber Day 10p | 18m | 21 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 28 | Amber Day 10p | 18m | 22 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 29 | Amber Day 10p | 18m | 23 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 30 | Amber Day 10p | 18m | 24 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 31 | Amber Day 10p | 18m | 25 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 32 | Amber Day 10p | 18m | 26 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 33 | Amber Day 10p | 18m | 27 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 34 | Amber Day 10p | 18m | 28 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 35 | Amber Day 10p | 18m | 29 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 36 | Amber Day 10p | 18m | 30 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 37 | Amber Day 10p | 18m | 31 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 38 | Amber Day 10p | 18m | 32 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 39 | Amber Day 10p | 18m | 33 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 40 | Amber Day 10p | 18m | 34 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 41 | Amber Day 10p | 18m | 35 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 42 | Amber Day 10p | 18m | 36 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 43 | Amber Day 10p | 18m | 37 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 44 | Amber Day 10p | 18m | 38 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 45 | Amber Day 10p | 18m | 39 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 46 | Amber Day 10p | 18m | 40 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 47 | Amber Day 10p | 18m | 41 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 48 | Amber Day 10p | 18m | 42 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 49 | Amber Day 10p | 18m | 43 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 50 | Amber Day 10p | 18m | 44 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 51 | Amber Day 10p | 18m | 45 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 52 | Amber Day 10p | 18m | 46 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 53 | Amber Day 10p | 18m | 47 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 54 | Amber Day 10p | 18m | 48 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 55 | Amber Day 10p | 18m | 49 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 56 | Amber Day 10p | 18m | 50 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 57 | Amber Day 10p | 18m | 51 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 58 | Amber Day 10p | 18m | 52 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 59 | Amber Day 10p | 18m | 53 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 60 | Amber Day 10p | 18m | 54 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 61 | Amber Day 10p | 18m | 55 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 62 | Amber Day 10p | 18m | 56 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 63 | Amber Day 10p | 18m | 57 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 64 | Amber Day 10p | 18m | 58 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 65 | Amber Day 10p | 18m | 59 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 66 | Amber Day 10p | 18m | 60 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 67 | Amber Day 10p | 18m | 61 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 68 | Amber Day 10p | 18m | 62 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 69 | Amber Day 10p | 18m | 63 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 70 | Amber Day 10p | 18m | 64 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 71 | Amber Day 10p | 18m | 65 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 72 | Amber Day 10p | 18m | 66 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 73 | Amber Day 10p | 18m | 67 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 74 | Amber Day 10p | 18m | 68 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 75 | Amber Day 10p | 18m | 69 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 76 | Amber Day 10p | 18m | 70 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 77 | Amber Day 10p | 18m | 71 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 78 | Amber Day 10p | 18m | 72 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 79 | Amber Day 10p | 18m | 73 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 80 | Amber Day 10p | 18m | 74 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 81 | Amber Day 10p | 18m | 75 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 82 | Amber Day 10p | 18m | 76 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 83 | Amber Day 10p | 18m | 77 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 84 | Amber Day 10p | 18m | 78 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 85 | Amber Day 10p | 18m | 79 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 86 | Amber Day 10p | 18m | 80 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 87 | Amber Day 10p | 18m | 81 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 88 | Amber Day 10p | 18m | 82 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 89 | Amber Day 10p | 18m | 83 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 90 | Amber Day 10p | 18m | 84 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 91 | Amber Day 10p | 18m | 85 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 92 | Amber Day 10p | 18m | 86 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 93 | Amber Day 10p | 18m | 87 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 94 | Amber Day 10p | 18m | 88 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 95 | Amber Day 10p | 18m | 89 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 96 | Amber Day 10p | 18m | 90 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 97 | Amber Day 10p | 18m | 91 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 98 | Amber Day 10p | 18m | 92 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 99 | Amber Day 10p | 18m | 93 | 101.37 | 2.48 | 1.48 | 6 | 1 |
| 100 | Amber Day 10p | 18m | 94 | 101.37 | 2.48 | 1.48 | 6 | 1 |

[illegible][illegible][illegible]

TRUSTS—Continued[illegible]

HAB LORRY LOADER
A THE MOST EFFICIENT AND WIDELY USED
GEORGE COHEN MACHINERY LTD
600 WOOD LANE LONDON W12 7LZ
TELEPHONE 01-743 2070

BELL'S
SCOTCH WHISKY
Afore ye go

TURMOIL OVER DEVOLUTION ON DAY OF GREEN PAPER

Callaghan ready for referendum

BY RICHARD EVANS, LOBBY EDITOR

WITH BOTH major parties in turmoil over the issue of devolution, Mr. James Callaghan, Prime Minister, made preparations yesterday to offer the substantial concession of a referendum in Scotland and Wales to placate Labour opponents of the Government's Bill.

At the same time, the Conservative leadership, trying desperately to close party ranks after the resignation from the front bench of two leading pro-devolutionists, faced the prospect of an embarrassing intervention in the next few days from Lord Home.

The Prime Minister, who will speak on the opening day of the four-day second reading debate of the Scotland and Wales Bill next Monday, will discuss the proposition of a referendum to be held after the legislation completes its passage through Parliament, presumably some time next summer.

But Mr. Callaghan is unlikely to yield immediately to pressure for a referendum. Instead, he will pave the way to do so during

the committee stage of the Bill next year.

Pressure for a referendum in Scotland and Wales mounted sharply because of an amendment to the devolution legislation tabled by Mr. Leo Abse, Labour MP for Pontypool, and signed by around 80 MPs.

The majority are Labour backbenchers who are unhappy about the Government's devolution proposals, but a number of Tories have now signed and are not being discouraged by Mrs. Margaret Thatcher, the Conservative leader.

With such widespread support from both major parties, it is difficult to see how Ministers can avoid accepting a referendum.

The amendment states baldly that the Government's Bill cannot be approved "unless a referendum is held before the Bill comes into effect to ascertain the wishes of the people of Scotland and Wales."

Ministers might delay giving away the concession until they

seek to gullotine, or curb debate on, the committee stage of the Bill. It could then be used as a bargaining counter to bring Labour rebels into line as 70 have threatened not to back a guillotine unless a referendum is conceded.

Lord Home is understood to be dismayed by the Shadow Cabinet decision to mount an all-out attack on the second reading of the Government's devolution legislation, on the grounds that this will be taken in Scotland as a vote against the principle of devolution and could lose the party electoral support.

If Lord Home backs Mr. Heath's view that more than the directly elected assembly favoured by the Shadow Cabinet is now needed to meet the wishes of the Scottish majority, a further blow to Mrs. Thatcher's efforts to calm the fears of the pro-devolution faction in the party.

When Mrs. Thatcher speaks on the opening day of the debate,

she will underline the party's double commitment to oppose the terms of the Government's Bill, and to support the principle of devolution.

The Tory leadership is still a few others, are behind the Shadow Cabinet line. Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

English Assembly ruled out

BY RUPERT CORNWELL, LOBBY STAFF

THE GOVERNMENT yesterday unveiled its promised constitutional document for all its studious neutrality, the report does seem to support the concept of a "limited change" - involving strengthened regional advisory bodies as a measure of decentralisation, or modifications in local government machinery, rather than more radical surgery.

Such an alternative, which could take the shape of directly elected regional assemblies with powers derived from local government, would quickly run into opposition from the Tory leadership, which would see it as a financial obstacle, and raise tricky problems of boundary definition, particularly where the disproportionately important South-East region was concerned.

The Government is accordingly anxious to gather as wide a range of views as possible. Over 1,000 interested bodies will be sent a questionnaire, and the public has also been asked to make its own suggestions.

With a few predictable exceptions, the document has failed to raise the political temperature, and was generally being seen as an effort to allay the fears of the U.K. MPs who represent English constituencies, many of whom are afraid that Scotland and Wales may gain too big a slice of the available cake under devolution.

Details of Green Paper, Page 11
Editorial comment, Page 16

As it is, the 16 MPs in the Scottish Conservative group are hopelessly divided, but the vast majority of English Tories, with the exception of Mr. Heath and a few others, are behind the Shadow Cabinet line.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

As it is, the 16 MPs in the Scottish Conservative group are hopelessly divided, but the vast majority of English Tories, with the exception of Mr. Heath and a few others, are behind the Shadow Cabinet line.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

Mr. John Nott, a former Treasury spokesman, became Tory Shadow Trade Secretary following the appointment of Mr. Edward Taylor as Shadow Scottish Secretary.

THE LEX COLUMN

Lyons after the asset sales

The half-year report from J. Lyons

Lyons reported a 10 per cent increase in the share price yesterday despite some strong action by the balance sheet and a maintained interim dividend. By switching heavily out of foreign currencies, the company has apparently made itself immune to any further deterioration in sterling, and profits for the six months to September are actually modestly higher at £6.3m. before tax and exceptional items. But attributable profits, which just cover the interim payment, would have come out as a £2.4m. loss but for a change in accounting; and the statement makes no mention of the assets side of the balance sheet. Thus, it is hard to escape the feeling that at this stage only the better parts of the story are being told.

Total borrowings stood at some £250m. currently and by the end of the year (next March) the figure could be down to around £220m. That would be roughly a fifth inside the group borrowing limit - taking a line through last published shareholders' funds - and the proportion of it in foreign currencies could be reduced from 70 per cent. at the end of last year to little more than 50 per cent.

But Lyons' gearing ratios remain disturbingly high and given the way profits are moving at present this picture is not going to be altered overnight - even with further asset disposals. The switch from foreign currency to sterling debt has taken the interim interest charge up by a tenth, and apart from the U.S. and the ice cream and soft drinks operations in the U.K. which, for the period reported were hugely boosted by the summer heatwave - most of the group is trading weakly.

The U.S. could be as much as a quarter higher before interest this year, and most of the U.K. loss makers are out of the red. But a market capitalisation of £18.4m. at 45p compares with a figure of £65m. barely one year ago.

Within Trafalgar House's 51 per cent. advance in pre-tax profits to £33.8m. the construction division stands out as the main engine: its contribution rose £2.2m. to £14.8m. and there is no repetition of last year's exceptional £4.7m. provision against housebuilding (some much smaller provisions this time have been absorbed within

the operating results). Construction turnover has reached £267m. and there is enough specialised demand in areas like mining and the North Sea to make prospects look good with the overseas content tending to edge above the current 40 per cent. or so.

But the property side is little changed, and shipping and hotels are down £10m. to £9.4m.; one problem was the accident to the QE2 which cost £1.5m. There are hopes, however, that shipping will recover this year, with the cargo side and containers performing well, and the London hotels are improving. Incidentally, the charging of £10m. currency loss to reserves looks justified in this case, given the group's large shipping assets.

At 88p the shares are comfortably supported by a yield of 8.3 per cent. and a p/e (after a 35 per cent. tax charge) of 8. And the market's 1976-77 target may range up to about £40m. - although the 10c Maritime Fruit ships bought since the year-end will not make a significant impact for the time being. The main attention, though, will probably centre on Trafalgar's obvious takeover ambitions; and also on its gearing, which looks high - debt at present is over £200m., about twice net worth - but is well structured, while the strong cash flow could lead to a dramatic change in the shape of the balance sheet over the next few years.

Lloyds and Scottish

By contrast with Lombard North Central last week, which turned in profits of £8.5m. against a loss of £3.5m. the year

before, a £1.4m. rise in profit to £14.5m. from Lloyds and Scottish is less spectacular. But then it has steered well clear of property lending and lacks Lombard's recovery scope.

The average Finance House Association base rate was about three-quarters of a point lower during the year, added to which L and S has been reducing its exposure to future rises in interest rates by tying an increasing proportion of its lending to base rate - around 10 per cent. of borrowed funds a matched currently.

Demand for consumer instalment credit was flat. Initially, but new car lending in the second half was running 30 per cent. up on the first six months. The leasing side did well though the group continues to lose market share since it resists writing more new business than it can absorb for its purposes. Except for British Relay, the retailing and factoring operations turned in better earnings.

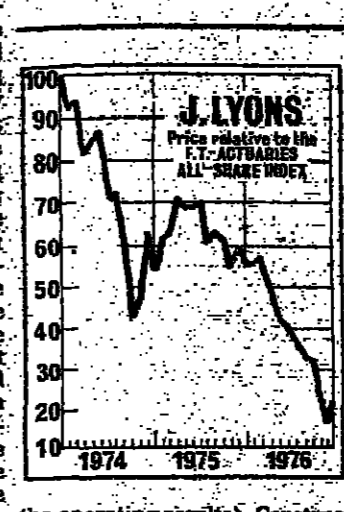
Short-term prospects, clouded by the recent curbs on bank lending and the rise in interest rates. But L and S is less vulnerable on this score than it was, and at 53p the shares yield a comfortable 10 per cent.

Gus

Turnover growth has picked up a shade at GUS in the first six months - at 18 per cent. against 16 per cent. in the whole of last year - but margins which have been easing for the last three years, continue to be squeezed slightly with pre-tax profits just 12½ per cent. higher at £46.1m. The comparison with the first half last time is slightly misleading, however, for whereas the deferred profit provision was unchanged in April-September, 1975, this year another £6.4m. has been tucked away, mainly reflecting the success of the furniture division.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Index fell 5.6 to 319.4



before, a £1.4m. rise in profit to £14.5m. from Lloyds and Scottish is less spectacular. But then it has steered well clear of property lending and lacks Lombard's recovery scope.

The average Finance House Association base rate was about three-quarters of a point lower during the year, added to which L and S has been reducing its exposure to future rises in interest rates by tying an increasing proportion of its lending to base rate - around 10 per cent. of borrowed funds a matched currently.

Demand for consumer instalment credit was flat. Initially, but new car lending in the second half was running 30 per cent. up on the first six months. The leasing side did well though the group continues to lose market share since it resists writing more new business than it can absorb for its purposes. Except for British Relay, the retailing and factoring operations turned in better earnings.

Short-term prospects, clouded by the recent curbs on bank lending and the rise in interest rates. But L and S is less vulnerable on this score than it was, and at 53p the shares yield a comfortable 10 per cent.

Gus

Turnover growth has picked up a shade at GUS in the first six months - at 18 per cent. against 16 per cent. in the whole of last year - but margins which have been easing for the last three years, continue to be squeezed slightly with pre-tax profits just 12½ per cent. higher at £46.1m. The comparison with the first half last time is slightly misleading, however, for whereas the deferred profit provision was unchanged in April-September, 1975, this year another £6.4m. has been tucked away, mainly reflecting the success of the furniture division.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation, sales rose just over a fifth and the profit contribution stays a 19 per cent. On this kind of progress GUS's prospective p/e is around 7, and the "A" share yield a reasonable 7.2 per cent. at 157p.

Elsewhere the performance of the mail order side - some 31 per cent. of sales - continues to be good, and Burberry's and Scotch House, boosted by the tourist trade, have provided particularly bright spots. As for the overseas operation,